

struggle for Labour leadership erupts

Our Party's simmering leadership quarrel again yesterday. Mr James Callaghan put down Mr Anthony Wedgwood to a warning to the unions that they be shackled again with a Labour policy; and Mrs Barbara Castle also n, backing Mr Benn as the next leader

Callaghan decision in November

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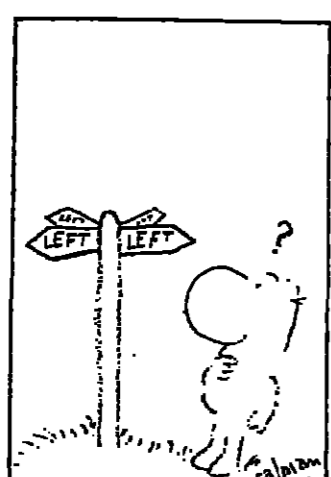
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Mr Benn found the



grist to his "party democracy"
mill. "If these reforms were
to be defeated at the [October]
Blackpool conference the trade
unions who vote to defeat them
could be voting for the very
wage restraint they opposed—
and which helped bring Mrs
Thatcher to power."

Mr Callaghan, appearing on
ITN's News One in no
mood for recriminations.
"Mr Benn is wrong, isn't
he?" he began.

"In the case of the Labour
Party I said nothing about
shackling; what I said was
it must be a fair and workable
trade union movement, this
government and no other
government will succeed... I
stand by my view that we shall
have, the next Labour govern-
ment will have, the best chance
of succeeding if it does that
now."

Mr Callaghan had seemed to
take a dig at Mr Benn in
describing "personal ambi-
tions" in the unlikelihood of
Opposition parties to take over
power, which he suggested was
typical Mr Callaghan said: "be-
cause they do not have power,
because they do not have res-
ponsibility they are always
parties that are talking about
different remedies, there are
personal ambitions and the rest
of it that have to be satisfied."

But, saying he was not par-
ticularly concerned about the
Labour disagreements because
he was confident "that this
will work itself out", Mr
Callaghan went on with an
assurance that will be like a
red rag to Mr Benn.

"Once they have got power
then of course they transform
themselves", he said of op-
positions.
In Labour's case this is pre-
cisely what Mr Benn wants to
prevent. He wishes a Labour
government to do in office what
it had said in opposition it
would do, and to ensure that it
does so, he wishes his reforms
to prevent the parliamentary
leadership, as he put it yester-
day, becoming "a separate
group claiming the right to
decide its own quite different
policy".

Understandably, perhaps, he
sees the "democracy" reforms
he advocates as the only way
to ensure that compliance.

Mr Jenkins may return to politics next year

From Michael Hornsby
Brussels, June 3

Mr Roy Jenkins, the Presi-
dent of the European Commis-
sion, may announce publicly for
the first time next week that
he intends to return to the
domestic political fray in the
new year to pursue the goal
of a new political party of the
"Radical Centre", it was learnt
today.

But the former Home Sec-
retary, in a statement issued here
on his behalf, categorically de-
nied press reports that he is
considering leaving Brussels
before his term of office as
President of the Commission
expires at the end of the year.

The statement said: "Mr
Jenkins denies reports that he
is planning to leave Brussels
in the near future. It is and
always has been his intention
to fulfil his four-year mandate
as President of the Commission,
which runs until the beginning
of January, 1981."

The first clear indication of
Mr Jenkins' plans is likely to
come in a speech next Monday
at a lunch in the House of
Commons given by the Parlia-
mentary Press Gallery.

Although most of his speech
will be devoted to an assess-
ment of Britain's future in
Europe, Mr Jenkins is also ex-
pected to survey the British
political scene.

Callaghan doubts: Labour and
Liberal leaders yesterday
poured cold water on the idea
of the formation of a new
Centre party (our Political
reporter writes). Mr James
Callaghan the Labour Party
leader, said that he doubted
whether such a proposal would
get far.

Interviewed on ITN's News
at One programme, he said it
could be argued that the Lib-
erals were a centre party
though they would probably
deny it. "I think most people
when they get disillusioned
either with the Conservative
Party or the Labour Party tend
to float towards the Liberal
Party."

When it was suggested that
a Centre party would probably
look for the votes of those
people who did not like Lab-
our's extreme left-wing policies,
Mr Callaghan replied: "Well,
they will not get very far be-
cause any party in this country
has got to rest on organised in-
terests. We may or may not
like that. The Tory Party rests
on the support of business, its
business, very largely business
generally. It rests on the fi-
nancial support of them and of
the City."

The Labour Party rests on
the support of the trade unions
and organized workers, and I
do not think any other party
is going to get very far unless
it has some equivalent organ-
ized support and I do not know
where you find it from."

Mr David Steel, Leader of
the Liberals, made it clear
that he saw his party as being
the one that would bring a
fresh movement to British
politics.

He told a Liberal Social
Council meeting: "The Liberal
Party is there gaining in
strength to provide the core of
this movement, and we welcome
the prospect of more recruits
to it."

Brussels speculation, page 5



Tribal leaders meeting on Espiritu Santo before rebelling last week against the central Government of the New Hebrides. Britain asked to use force, page 6

Reprisal threat after S African sabotage

From Eric Marsden
Johannesburg, June 3

South Africa's neighbouring
states have been warned that
reprisals will be taken against
any country allowing raiders to
use it as a springboard for
attacks on the republic.

The warning, after the sabo-
tage of two Sasol oil-from-coal
plants causing about £3.3m
worth of damage yesterday,
appears to be aimed at Mozam-
bique.

Mr Louis Le Grange, the
Police Minister, claimed the
mastermind behind the Sasol
raids was Mr Joe Slovo, an
exiled leader of the South
African Communist Party who
is now based in Maputo.

He said Mr Slovo's ove to
the Mozambique capital was
planned by the African
National Congress (ANC) and
the banned South African Com-
munist Party so that he would
be as close as possible to the
republic, exercising easier con-
trol over trained saboteurs in-
filtrating into South Africa
and to agents on spying
missions.

Mr Le Grange added that Dr
Vassily Solodovnikov, the Rus-
sian ambassador in Lusaka,
played a major role in ANC
plans and strategy and con-
ducted a comprehensive
monitoring of the republic,
with the assistance of Miss
Frene Ginwala, a South African
exile.

Miss Ginwala was referred to
today in a Pretoria court case
as an ANC agent who had
approached a young scientist
for information on energy in-
stallations in South Africa.
The Minister described Mr
Solodovnikov as "one of the
great planners of the com-
munist onslaught".

A dirty white fog settled over
the Sasol One plant at Sasol-
burg this morning as the last
of the huge fires died down and
police searched the debris for
clues to the saboteurs. A
spokesman said later there was
evidence that the bombs were
of a "sophisticated" variety
and not home made as had been
thought.

It was disclosed last night
that three other bombs were
defused yesterday at Springs,
east of Johannesburg, in the
offices of the firm responsible
for the construction of the
Sasol Two and Three plants.
One was found on the office's
window sill.

The Sasol attacks were the
biggest act of urban terrorism
so far in South Africa. They
came, coincidentally or other-
wise, on the eve of the resumed
trial of nine ANC members who
face charges including murder
and high treason as a result of
the Silverton Bank siege in
Pretoria in January.

White hostages were taken
and police stormed the bank,
killing three of the raiders. But
two hostages had earlier been
shot dead.

The trial has been adjourned
until August 4. The defence
sought the adjournment, saying
it was not yet ready to proceed
with the supreme court trial.

The Government is under
pressure to increase protection
for vital installations though
it is almost impos-
sible to protect oil installations
from attack by rockets.

It is generally admitted that
the attack took the authorities
by surprise and the South
African Broadcasting Corpora-
tion said the attack was
evidence of the comprehensiveness
of the "assault on the
order, stability, and self-confi-
dence of South Africa".

Scientist convicted, page 6

Mrs Thatcher causes panic sterling sales

By Caroline Atkinson

A bout of panic selling of
sterling in the foreign ex-
change markets came after
Mrs Margaret Thatcher told
the Commons yesterday that
the money saved by Britain's
deal with the EEC would be
used to reduce government
borrowing and thereby bring
down interest rates.

Many in the City leapt to the
conclusion that Mrs Thatcher
was promising an imminent
cut in the present record level
of interest rates. The pound
plunged by nearly five cents
against the dollar before
currency markets calmed
down, and the gilt market
cheered up at the prospect of
lower interest rates. Sterling
eventually closed 3.35 cents
down from Monday's level, at
\$2.344.

But officials were anxious to
point out that the Prime
Minister's remarks had been
misinterpreted. Because the
EEC money will not be repaid
to Britain until early 1981, the
budget package approved by
ministers this week will not

affect public sector borrowing
or interest rates in the near
future.

The reaction to Mrs
Thatcher's statement was not
surprising. She twice remarked
that the EEC rebate would help
to lower interest rates. She
said that she had been discuss-
ing the problems of manu-
facturing industry with Sir
Geoffrey Howe, Chancellor of
the Exchequer, including high
interest rates.

The government is under in-
tense pressure from industry
and its backbenchers to lower
interest rates immediately. The
Chancellor and the Prime Min-
ister have recently said that
they do not expect to reduce
the Government's key minimum
lending rate until the demand
for bank credit shows clear
signs of slowing down. This is
not affected by the EEC deal.

It is the bank lending com-
ponent of the money supply
rather than the public sector
borrowing requirement (PSBR),
which has recently been grow-
ing rapidly.

Continued on page 23, col 2

Tory peers' closed shop revolt crumbling

By Ian Bradley

An attempt by a group of
Conservative and cross bench
peers to tighten up the Govern-
ment's Employment Bill seems
likely to fall through lack of
support in the House of Lords.

The group, led by Lord Orr-
Ewing and Lord Speers, has
tabled amendments that would
have the effect of outlawing
the closed shop. It is also draft-
ing an amendment to the Bill
which would greatly limit the
scope of secondary picketing.

A further amendment pro-
posed by the group providing
for 500 members of a trade
union to require a secret ballot
in cases of proposed strike
action or union elections was
withdrawn yesterday without a
division having taken place in
the Bill's committee stage in the
House of Lords.

Although Commons Liberal
MPs voted in favour of amend-
ments proposed to the Bill out-
lawing the closed shop and
strengthening the law on sec-
ondary picketing, Liberal peers are
taking a different line and are
supporting the cautious line
adopted by the Government.

There is also very little
Labour support for the effort to
change the Bill, although
Lord Houghton of Sowerby
spoke in yesterday's debate in
favour of the measure. In all
Labour has tabled 140 amend-
ments critical of the Bill.

The main hope of the group
seeking to strengthen the Bill
now rests with a decision to be
made by the European Court
of Human Rights later this
week on the case brought by
three British railwaymen who
were dismissed from their jobs
because they had refused to
join the National Union of
Railwaymen and so con-
tracted a closed shop agreement.

It is understood that the 21
commissioners who have made
their recommendations to the
court have examined the
present Bill and found that it
contravenes the European Con-
vention on Human Rights in
not outlawing the closed shop.
The group hopes that by
next Tuesday, when the Bill
comes up again in the House
of Lords, the European Court's
decision will be known and as
a result, there may be more
pressure on the Government to
go further than it has in the
Bill outlawing the closed shop.

Diplomat's home bombed in Washington suburb

Washington, June 3.—A
bomb blast that rocked a
Washington suburb early today
tore several holes in the front
of the home of the Yugoslav
Charge d'Affaires and blew out
the windows of several houses
nearby.

Mr Vladimir Sindjelic, his
wife, Jasovasa, and their
nephew were asleep when the
bomb exploded but they
escaped injury. The bomb, de-
scribed by police as a plastic
explosive, had been placed in
flower box outside the house.

The Sindjelic home, located
near Washington's fashionable
embassy row, is officially con-
sidered a private residence.
Because it is not a mission, it
is not under the protection of
the uniformed division of the
Secret Service.

No one claimed responsibility
for the bombing but Yugoslav
officials and institutions have
been targets in recent years of
Croatian and other ethnic
groups, who are seeking
independence for their section
of Yugoslavia. — Washington
Star.

Judges rule jury vetting legal

By Frances Gibb

Vetting by the police of
potential jurors is legal, neces-
sary, and a "commonsense"
practice to prevent disqualified
people from sitting on juries,
the Criminal Division of the
Court of Appeal ruled yester-
day.

In the first case in which a
conviction has been contested
on the grounds that the jury
was vetted, Lord Justice Lawton,
Mr Justice Michael Davies,
and Mr Justice Balcombe ruled
that "some scrutiny of jury
panels is necessary" if such per-
sons are to be excluded.

Sir Michael Havers, the
Attorney General, will have to
reconsider his long-awaited
statement on jury vetting in
the light of the ruling, an
official said yesterday.

The ruling put the statement
"back to square one". There

would have to be new consulta-
tions with the Home Secretary
and the Lord Chancellor, and
a statement would not be
possible for some weeks.

"We had always worked on
the understanding that informa-
tion on jurors could only be
passed to Crown Counsel with
the permission of the Director
of Public Prosecutions, and then
only in certain circumstances.
This has all now changed."

The guidelines from the
Attorney General, which the
Court of Appeal said had no
force in law, said that police
should only check criminal
records of jurors in certain
"exceptional" cases.

The official said: "What the
court said is that somebody has
got to check, that the only
people who can do this are the
police, and they are entitled to
give counsel any information,
whether it is that a person is

disqualified by a criminal
record or not."

The judges said that they
found the facts of the case—
which have shown that of a
panel of 100 jurors, 10
appeared to have previous con-
victions—"very disturbing".

The inference which we
draw is that persons who are
disqualified from jury service
are not disclosing that they are
so disqualified, and they are
sitting on juries."

The police were the only
authority able to do the check.
"Since it is a criminal
offence for a person to serve
on a jury knowing he is dis-
qualified, for the police to
scrutinize the list of potential
jurors to see if they are dis-
qualified is to us no more than
to perform their usual function
of preventing the commission
of an offence."

Continued on page 2, col 3

mal fund olicing visaged

Stable has asked whether
be a national contingency
be the full cost of policing
as the national steel strike
by force which could be
national emergencies and
d equipped from national
Ar J. H. Brownlow, Chief
South Yorkshire, said the
cost his force £650,000 and
1,192 dealing with it, in
those performing normal
Page 2

hall guidelines

in Whitehall's executive
receive guidelines from
next week on their policy on
tion unless they are fully
a the efforts of Sir Derek
Prime Minister's adviser on
tion of waste, to introduce
agency into central govern-
Page 3

Arab mayor blames Israeli Government

Mr Bassam Shaka, one of the two West
Bank mayors injured in booby trap
bomb attacks, accused the Israeli
Government and secret service of
involvement in the incidents. Speaking
less than 24 hours after the amputation
of both his legs Mr Shaka, who is Mayor
of Nabulus, said the attack would
strengthen his resolve and that of the
Palestinian people
Page 6

Amin offer to return

Idi Amin, the deposed Ugandan
dictator, said in a BBC television
interview that he was willing to return
to Uganda "to save the people from
chaos". Interviewed in an unnamed
Arab country which was believed to
have been Saudi Arabia, he denied in-
volvement in a number of atrocities
that occurred in Uganda
Page 6

Civil servants resign

An increasing number of white civil
servants in Zimbabwe are deciding that
they have no future working under a
black government. The number of
resignations so far is believed to exceed
500, most of them from senior and
middle ranks.
Page 8

Hospitals discourage parents, report says

The Consumer Association said that
parents were frequently discouraged
from staying with their children in
hospital. A survey of 300 parents of
sick children showed that more than
half had not been allowed to stay or
had not been told of facilities to do so
and 14 per cent had been actively
discouraged
Page 3

Double demand: Building workers

vote for a 50 per cent pay rise with a
£120 weekly minimum
2

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Ships collide

Helsingborg, Sweden, June 3.
—A Swedish oil tanker and a
Danish passenger ferry collided
in heavy fog in the narrow
sound between Sweden and
Denmark today. No one was
hurt, but there were fears of
oil leaking from the tanker.

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HOME NEWS

Pit closure plans will be firmly resisted, miners' leaders say

By John Witherow

Miners' leaders warned the National Coal Board yesterday that it would face strong opposition if it pressed ahead with pit closure plans.

Mr Joseph Gormley, president of the National Union of Mineworkers, said: "I am not allowing any pits to be closed in Britain just because the coal board say they cannot sell the coal."

"I am not having what is happening in another industry determine the life of our pits, especially at a time when some customers are being allowed to import coal which is available in Britain."

Speaking in London after talks with South Wales miners' leaders, Mr Gormley said he was "completely incensed" over what he had been told was the approach to the union in that area.

He will be taking the matter up on Monday with Sir Derek Egan, NCB chairman, and at a meeting of the NUM's national executive committee on June 12.

Mr Gormley will be accompanied by Mr Michael McCahy, leader of the Scottish miners, and Mr Lawrence Daly, NUM general secretary, at the talks with Sir Derek. They are expected to press for any

closure to be discussed at a national level.

The South Wales area of the NCB wants to close six of the most uneconomical pits. The union rejects closures unless the seams are exhausted.

"They tried to short-circuit the procedure. Any colliery closure will have to be proved and correct procedures will have to be followed," Mr Gormley said.

Mr Emylin Williams, leader of the South Wales miners, who travelled to London to see Mr Gormley's backing, said: "Joe Gormley fully supported our views and they will now be ventilated with the coal board."

In an aside apparently directed at Mr Arthur Scargill, Yorkshire miners' leader, Mr Gormley rejected the suggestion "of our colleagues who create the image that the union is to go along with closing pits. There is too much glib talk about pit closures."

Mr Scargill gave a warning at the weekend that the board had decided to close more than 50 pits, with the loss of over 100,000 jobs.

Mr Williams believes the Government's strategy is to start the closures in South Wales "because they have no support there and nothing to lose politically."

Administrators' rise may top nurses' 14%

By Our Health Services Correspondent

Britain's 460,000 nurses, who are angry about being offered less in this pay round than the doctors, may find themselves also outstepped by the hospital administrators.

The administrators are to be given a management offer today and are hoping for a rise of at least 16.8 per cent, equivalent to that given to the administrative grades of the Civil Service.

Health administrators' pay has been linked to Civil Service grades for more than 20 years and they would strongly resist any attempt to break such well-established links.

The nurses have been told by Mrs Margaret Thatcher, the Prime Minister, that they cannot receive more than 14 per cent this year because of the health service's 14 per cent cash limits.

Health service document is defended

By Our Health Services Correspondent

The Government's consultative document, *Patients First*, had been misunderstood by many of those who criticized it, Mr Patrick Jenkin, Secretary of State for Social Services, told the Health Service Administrators' conference in London yesterday.

Many people had criticized it for giving insufficient emphasis to the health needs of the whole population but the document aimed only to propose improvements to those aspects of structure and management that had proved unsatisfactory since 1974, Mr Jenkin said.

The document, which proposed the abolition of area health authorities, was not and was never intended to be a document on health policy and health priorities.

"I intend to make a statement on these matters in a separate paper in the autumn," he said.

Others had criticized it for being too hospital-oriented, being too hospital-oriented, being too hospital-oriented. One section had mistakenly given that impression. "Nothing of the sort was intended or envisaged."

In many districts community services were organized as a separate unit, management and that would continue to be the new authority, he said.

All comments on the document were in and the Government's decisions would be published next month, he said.

Prison officers criticized by Ombudsman

By Nicholas Timmins

Prison officers who destroyed a model log cabin made by a prisoner for his nephew were criticized yesterday by Mr Cecil Clothier, Parliamentary Commissioner for Administration.

He blames "unimaginative formality" by prison officers who mistakenly believed that some of the cane had been stolen from a prison workshop.

In fact the cane had been given by the workshop instructor to the prisoner, who had spent his own money on varnish and plastic.

The Home Office later apologized and refunded the £5.53 the prisoner had spent, but Mr Clothier said: "It would have shown an extra touch of humanity had they also offered even a small additional sum in recognition of the very natural disappointment felt by the prisoner at this waste of his patient work."

The complaint is one of 23 upheld in the Ombudsman's sixth report for 1979-80, published yesterday. Half the 50 complaints covered involved the Department of Health and Social Services, of which 11 were upheld.

Sixth Report, Parliamentary Commissioner for Administration, Selected Cases 1980, Vol 2 (Stationery Office, £2).

Minister denies Clegg error in comparability

By Our Health Services Correspondent

Mr Patrick Jenkin, Secretary of State for Social Services, denied in Parliament yesterday that the Clegg Commission had made a mistake in assessing its comparability award for nurses.

The commission was alleged to have denied the nurses £100m by assessing their claim on the basis of a 37½-hour week, which is not going to be fully implemented until 1981.

Mr Jenkin said in a parliamentary written reply: "There has been no error. The standing commission dealt with the question of working hours for nurses and midwives in paragraph 44 of their report No 3. They acknowledged that nurses currently worked a 40-hour week, but said they had based their recommended pay scales on a 37½-hour week, as commonly worked by comparators, since it was intended to reduce the nurses' working week to 37½ hours by April, 1981."

British ballet company to visit Far East

This autumn the Sadler's Wells Royal Ballet will make its first visit to the Far East, and will be the first important ballet company to perform with an orchestra in several capital cities.

From September 5 to October 13, the company of 50 dancers will visit South Korea, Philippines, Singapore, Malaysia, Thailand and Hong Kong. The tour will cost about £450,000; Barclays Bank International is providing £50,000 of it, and the British Council is giving between £15,000 and £20,000.

In Seoul, Manila, Singapore and Hongkong the company will be joined by local symphony orchestras.

The Hongkong Philharmonic will accompany the ballet in Kuala Lumpur, Penang and Bangkok.

Fewer historic buildings listed

By John Young

Planning Reporter

Much of the task of listing buildings of historic or architectural interest might be transferred with advantage from the Government to local authorities, Mrs Jennifer Jenkins, chairman of the Historic Buildings Council, said yesterday.

The council's annual report showed that the Department of the Environment had reduced its inspectors from eighteen in 1974 to six. Only 7,226 buildings were added to the list in 1978/79, compared with more than 24,000 in 1974.

Unless that reduction could be reversed, there was no alternative to delegating the work of revising lists to the increasing number of local authorities

Call to lift lottery prize limit to £10,000

By Marcel Berlins

The upper weekly prize limit of £1,000 that can be won in a local lottery needed to be raised to £10,000, the Lotteries Council said yesterday.

Sir Graham Page, Conservative MP for Crosby, and chairman of the council, said that unless that were done, local lotteries faced a bleak future, and local authorities, sports clubs and charities would have to start looking elsewhere for funds.

There had been a marked decline in public participation in lotteries, he said. During 1978/79, total ticket sales totalled £90m, and local authorities and various societies raised £35m. For the year just ended, 1979/80, those figures had dropped to about £66m and £25m respectively.

The drop in sales, and a consequent reduction in the amount of money available for sporting, cultural and charitable projects, has been attributed to the low prizes, which have not been changed since local lotteries became legal in 1977.

The Lotteries Council, which was formed last year to bring together all interests connected with local lotteries, made a plea for more prize money when a Lotteries Code of Conduct was introduced to protect the public and ensure a minimum standard of conduct by lottery organisers.

Football club lotteries: Mr Jimmy Hill, the television sports personality, also called for an increase in the prize money for lotteries run by football clubs, charities and local authorities (the Press Association reports).

Mr Hill, the newly elected chairman of Coventry City Football Club, said: "90 per cent of the clubs in the football league could not succeed if it were not for lotteries and other fund-raising schemes."

Mr Hill told the Lotteries Council press conference at Guildhall, London: "What we want in future is more money, not less, from lotteries. There is no doubt people are prepared to put their hands in their pockets if the prize money is good enough."

Help the Aged said: "Immediate action to improve the safety of pelican crossings is needed because old people risk death and injury when they use them, Help the Aged says."

There is only a five-second period when it is absolutely safe for pedestrians to cross. Many elderly people find it difficult to get over in that time.

Help the Aged found that motorists frequently start moving while people are still crossing, frightening many old people.

"Pelican crossings are not safe. It is vital that these official crossings, which are an excellent idea and very necessary, are made entirely safe," Mr



The pedestrian signal showing red, and catching Mr Harold Grinham, aged 82, halfway over the pelican crossing at Lavender Hill, Battersea, yesterday.

Plea for safer pelican crossings

By Richard Ford

Immediate action to improve the safety of pelican crossings is needed because old people risk death and injury when they use them, Help the Aged says.

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"Pelican crossings are not safe. It is vital that these official crossings, which are an excellent idea and very necessary, are made entirely safe," Mr

Hugh Faulkner, Director of Help the Aged said.

Figures released by the charity show that 422 elderly people were killed or injured on, or within, 50 yards of pelican crossings in 1978. In the same year 1,241 pedestrians over 60 years of age were killed on the roads and 11,708 injured.

Help the Aged wants the time allowed for the steady green walking man, telling pedestrians it is safe to cross, increased to between 8 and 11 seconds, and less time in which the flashing amber tells drivers they can move forward if the crossing is clear. They also want stiffer penalties for

people ignoring the signals.

Its research also found evidence that old people are afraid of using the pelicans and are instead risking crossing busy roads within a few yards of existing crossings. It adds that even younger people can be still on crossings when cars begin moving forward.

At a crossing in Lavender Hill, Battersea, South London, pensioners agreed with the Help the Aged report. All complained of the short period when the steady green walking man showed.

Mr Thomas Levett, aged 78, said: "You have to hope that motorists will not move too fast while you are still on the crossing. Pelicans are dangerous."

Redundant teacher 'treated unfairly'

From Our Correspondent

Birmingham

Mr Michael O'Neill, a teacher aged 31, was not given proper consideration at Ellerslie School for girls at Malvern, Worcestershire, a Birmingham industrial tribunal ruled yesterday. He was made redundant from the mathematics department but a part-time woman teacher was kept on.

The tribunal heard that he lost his job when the school's senior mistress, Mrs Cynthia Wolfendale, returned to full-time teaching and gave up her duties as mathematics department head. There was no room for two full-time teachers.

The tribunal awarded Mr O'Neill of Somers Park Avenue, Malvern, £2,655 compensation for unfair selection for redundancy. Of the award, £1,000 was for removal expenses and £1,417 for loss of net wages from the

end of this academic year until next January, the time the tribunal estimated it would take him to find alternative work.

Ellerslie School, the tribunal heard, was forming educational links with Malvern School, a public school for boys, and the increased work made it impossible for Mrs Wolfendale to carry out all her responsibilities. Mr Harold Wilson, tribunal chairman, said that redundancy was created by a reorganization, but the school had not given the matter proper consideration. There was a part-time teacher in the mathematics department and the head of physics taught mathematics part-time.

No one had thought to see if a rearrangement of duties could have saved Mr O'Neill's job. There had been a failure to consult him or members of the department.

Death caused by misplaced decimal point

A girl aged five days died because a decimal point in a drug prescription was put in the wrong place it was said yesterday.

Dr Paul Bradley, senior house officer in pediatric surgery at Leeds Infirmary, said at a Leeds inquest that he attended Zahara, a five-day-old baby, at Bradford who had an operation for an abscess on part of her gut.

An incorrect amount of the drug digoxin was given at some stage, he said. "I made an error in prescribing and put the decimal point in the wrong place."

Professor David Gee, professor of forensic medicine at Leeds University, said that death was due to poisoning by digoxin. Zahara had been born with a severe heart abnormality and it was reasonably certain that she would have died within months.

Mr James Walker, Leeds district coroner, said the child was given 0.4 milligrams of digoxin instead of 0.04 milligrams.

"Dr Bradley has been frank and I accept his explanation. There is no reason to think that a similar tragedy will occur," he recorded a verdict of misadventure.

Man is accused of murdering mother-in-law

Ian Sherlock, aged 33,

appeared in court yesterday charged with murdering his mother-in-law, Mrs May Chambers.

The organization, run by a student aged 17, and a mathematics expert of 14, was being financed by other pupils' stolen bank books.

Magistrates at York heard how the boy of 17, described as a "considerable expert in predicting racing results", teamed up with his young colleague to bear the bookmakers in the city, but their scheme was exposed after they stole three bank books from their fellow pupils' dormitories and set out on a shoplifting expedition in York.

Inspector John Leeman, prosecuting, told the court that the boys, two aged 14 and one 17, were arrested after being

Ferryman dies in flat-calm river

An experienced ferryman died in a river yesterday after vanishing overboard in a flat calm. His tender was seen travelling in circles in the River Dart at Dartmouth, Devon, with the engine running, just after midnight.

A search was launched but it was seven hours before the body of Mr Robert Floyd, aged 49, of Lower Fairview Road, Dartmouth, was found floating in midstream.

Mr Tony Freeborn, clerk to the Dart Harbour Navigation Authority, said: "The whole thing is a mystery. Conditions were flat calm."

"My grandmother used to tell me that every year the River Dart claims a heart. It still holds true today, only it's more than one a year now."

Mr Floyd, who could not swim, had taken a fellow boat-moat to his home at Kingswear, and was making the return trip when he went overboard. One police theory is that he may have suffered a heart attack.

SDLP is set to reject power-sharing talks

From Christopher Thomas

Belfast

Roman Catholic political opinion in Northern Ireland has hardened rapidly against the struggling efforts of the Northern Ireland Office to find a broadly acceptable formula for power devolution.

The Government still hopes to recall the Stormont constitutional conference, but if it does so, the chances of the Social Democratic and Labour Party being there are slim.

The SDLP leadership believes it cannot afford to become embroiled in another long dialogue without any serious prospect of success. Ironically, that is precisely why the Official Unionists refused to take part in the talks last January.

Although the mood of the SDLP is in no doubt, a formal decision about the conference will not be taken until it has studied the Government's power devolution ideas, expected in about three weeks.

It is unlikely that the party will rejoin the conference unless it sees a serious prospect of winning substantial power-sharing. With the Rev. Ian Paisley dominating the Unionist scene, that prospect barely exists.

The Government wants to complete the proposals and present them to Parliament by November or December, with legislation coming early in the new year. The mood in Westminster a few months ago was for bringing forward early in the new year.

Intensive lobbying by Roman Catholic politicians, and possibly the influence of Mr Charles Haughey, Prime Minister of the Irish Republic, has succeeded in slowing the pace.

Whatever title the Government's document is given, it will amount to a consultative paper setting out possible devolution schemes. Parliament is expected to have an early debate. After much consideration, a final draft of the paper is all

but complete, and in the Cabinet a majority.

If, eventually, there are elections to a proposed assembly it is likely SDLP will take part, disagreeing deeply with the form of government having protected its position in its present structure that it found able. That could bring wide re-evaluation.

Most SDLP officials vied to dismiss the initiative and to Mr H. a radical formula v. are convinced will u the present efforts a reconciliation have. There is no doubt Haughey's resolute stance, unity has SDLP's confidence, a hind the party's pre mood.

Arms blocked: The Irish caucus in Co. that the United States send arms to the US. The House of Commons more respect for hu (Associated Press re Washington).

In a letter to the Times, Mr Mario Bis York Democrat who informal group, t affairs, wrote: "O that there will co when the RUC will be able to receive Un arms. The House of Commons until there improvements in the record."

It was after Mr E ing that the US suspended the deliv revolvers to the newspaper carried a last week with Lord Secretary. He compared this with the refusal o mons to cancel b tracts between Brita

Churches seek aid poor foreign students

By Our Education Correspondent

Church leaders have written to Lord Carrington, the Foreign Secretary, expressing dismay at the Government's policy on overseas students' fees, and calling for more funds to help poor foreign students wanting to study in Britain.

The Archbishop of Canterbury, the Most Rev Robert Runcie, Cardinal Basil Hume, the Roman Catholic Archbishop of Westminster, and the Rev Harry O. Morison, the general secretary of the British Council of Churches, say they had been concerned about the increases in overseas students' fees, but now they are "deeply disturbed" about the future of able but poor students coming to Britain for the developing countries of the Commonwealth.

"The recent announcement that students from EEC countries will be charged the same fees as home students exposes what we believe to be a failure to treat Commonwealth students in a way that meets Britain's moral responsibilities to its former colonies. It is wrong that we should be helping the

rich rather than the

They urge the to provide "a substantial number" taking account of it fees now proposed. The House of Commons debate the Govern seas students polic.

Details of the grant allocated to universities by the Grants Committee we Mr Mark Carlisle, State for Educ Science, in the C day. The allocati the grant which ously have been overseas students this September.

It also exclude marked grant of £5 Government has me ensure that uncert fee income from students does not affect selected work of particular to this country."

Apart from that element for local rates, which would be short, the had been distribute

Assisted places scheme will help £11,000 families

By Our Education Correspondent

Proposals for a more generous means test for the Government's assisted places scheme were announced in the Commons yesterday by Mr Mark Carlisle, Secretary of State for Education and Science.

Under the proposed new scale, which replaces that put forward by the Government last February, a family with two children and a gross income of £11,000 could receive help with the payment of tuition fees at an independent school.

A family with one child and a gross income of £4,600 or less, or a family with two children and a gross income of £5,200 or less, would have all the fees paid. An allowance of £500 against income would be made in respect of each child or dependent, other than the spouse.

A one-child family earning £6,200 (or, for example, £7,400 with three children) would be expected to pay a contribution of £204 a year towards the fees; a one-child family ear-

ing £9,000 would pay a one-child family £11,000 would pay a

The Government promised to pay th between the paren tion an dthe full whatever the sch a assisted places sc is not expected t the scheme any very high fees.

No official fee list, but it is unlikely school with fees of £1,500 next year o

The Government introduced the scheme and to offer assist 5,000 to 6,000 pupil. The scheme is exp £1m in the 1983-84, ably rising to abou provide for 35,000 pupils when the s full operation.

So far, 470 secondary schools, 1 the 119 former schools which w dent, have express

Thefts exposed boy gamblers

From Our Correspondent

York

A teenage gambling syndicate at a public school was uncovered by chance when police picked up three young shoplifters, a court heard yesterday.

The organization, run by a student aged 17, and a mathematics expert of 14, was being financed by other pupils' stolen bank books.

Magistrates at York heard how the boy of 17, described as a "considerable expert in predicting racing results", teamed up with his young colleague to bear the bookmakers in the city, but their scheme was exposed after they stole three bank books from their fellow pupils' dormitories and set out on a shoplifting expedition in York.

Inspector John Leeman, prosecuting, told the court that the boys, two aged 14 and one 17, were arrested after being

seen stealing from a city centre department store.

After details at first, all the boys, whose identities were ordered to be withheld by the court, admitted theft and deception and told detectives how they had used the money from the bank books to finance their illicit gambling.

One told the police: "I did not realize that it might be so easy as I added that the boys had intended to open their own account with the money they won to finance further betting sessions."

Mr Geoffrey Mitchell, defending, said the boys who were all from "first class background" had devised their plan after being recruited at the school last January. At first they had done "small" bets, but then they plans snowballed.

"One of them is a considerable expert in predicting racing results, another is something of a mathematician and a boy who enjoys card games. They decided to resort to theft and deception to open a Post Office but then things went wrong. The three seemed to abandon judgement and it when they came cashed money by a stole from shops. The boys had been suspended school but they accepted back "on and have been wa they step out of "they would be ou Each boy was fin they were ordered compensation more than have an occasional bet, but then their plans snowballed.

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Gaullists take cautious
line on neutron bomb
as decision day nears

From Charles Hargrove
Paris, June 3

A fortnight after the Giscardian UDF published its defence paper, which showed a considerable drift from orthodox Gaullist ideas on massive retaliation, the Gaullist RPR has countered with its own contribution on the subject.

On the controversial issue of production by France of the neutron bomb, for instance, which the UDF fully backed in the interest of greater diversification of the French nuclear deterrent, the Gaullist paper adopts a cautious attitude.

Research into it must continue, M Michel Aurillac, the party's national delegate for defence, told a press conference this morning, but not at the expense of our efforts in favour of strategic weapons.

These elaborate party political manoeuvres are a prelude to a meeting of the National Defence Council under President Giscard d'Estaing in a fortnight's time, when decisions will be taken, notably on the neutron bomb, which will determine defence policy in the nineties.

The decisions reached will not necessarily reflect the line taken by the UDF paper, whose "Atlanticist" tenor, insistence on the concept of "forward defence" on the Elbe and definition of the role of the French forces as "a particularly valuable reserve of the West" are just the stuff to rouse Gaullist hackles.

M Jacques Chirac, the president of the RPR, who introduced today's press conference,

was obviously holding himself in check. "We do not want to indulge in insinuations, or define our stand in opposition to anyone," he declared.

What the Gaullist paper does is to name Russia as the potential enemy more clearly than in the late sixties, when independence of French military decision was translated in terms of "all round defence".

It states that the continued ideological conflict between Marxism-Leninism and other concepts of society "is now accompanied by an active phase of Soviet expansionism", a military imbalance to Russia's advantage, and an American doctrine of flexible response "which makes the use of strategic nuclear weapons very problematic".

The French deterrent enabled France "within the context of loyalty to its alliances but of freedom of decision, to indicate clearly the limits which must not be exceeded".

The paper calls for a stepping up of defence expenditure from the present 3.3 per cent of gross national product to 4 per cent immediately, and 5 per cent by the end of the century.

It also calls for the construction of 15 more strategic nuclear submarines within 30 years, the adoption of mobile missiles and a reduction in the period of military service from 12 months to between four and six months.

The Gaullist paper insists on the need for an effective civil defence policy against the threat of nuclear attack.



British fruit-farmers protesting in Brussels at the import of French apples.

Germans appear likely to accept EEC compromise

From Gretel Spitzer
Berlin, June 3

It now seems certain that the West German Cabinet will accept the Brussels compromise on EEC payments which involves additional payments from West Germany to the Community of DM2,600m (about £550m). The compromise led to a reduction in Britain's contribution to the EEC.

After a meeting with Herr Hans Matthöfer, the Finance

Minister, last night, Herr Helmut Schmidt, the Chancellor, speaking to the Social Democratic Party leadership about the grave problems for the West German budget arising from the Brussels compromise, emphasized the country's responsibility in European and world politics.

Both Herr Schmidt and Herr Matthöfer agreed that no more credit should be raised, nor should scheduled tax reductions be impaired. The German pay- ment for the compromise would

be financed from existing funds.

Meetings about where economies would have to be made were continuing today in the ministries. Herr Günter Verheugen, secretary-general of the Free Democrats, coalition partners of the Social Democrats, and Herr Hans-Dietrich Genscher, the Foreign Minister, promised the party's support.

So, the turbulence caused by Herr Matthöfer's threat to veto the compromise assumes the status of a storm in a teacup.

It has, however, given new impetus to discussing a reform of the EEC's agricultural policy.

Talking to journalists in Bonn today Herr Willy Brandt, chairman of the Social Democrats, spoke of the "nonsense, paradox and folly" of the European agricultural market.

He said he was extremely sceptical that the EEC Commission would advance any proposals for reform by July 1981. He said considerable pressure was needed to accomplish a reform.

Red Indian
pathfinder
for motorists
in France

From Ian Murray
Paris, June 3

Clever Buffalo went on the warpath against traffic jams today. The many feathered Red Indian chief emerged from his winter wigwam at the French Ministry of Transport to foretell heap big hold-ups this summer.

Clever Buffalo is a friendly Indian really. In 1976 he arrived in France from the fertile plains of a public relation officer's imagination. His mission was to help guide pale-faces to their holiday camps.

The routes he maps out are marked by green arrows along the way, and this year his trail-blazing scouts have been busy, marking out over 7,000 miles of roadway, carefully avoiding ambush points, where road gangs have dug traps for the unwary.

To make sure that as many road-travelers as possible follow his tracks Clever Buffalo has had four million copies of his own map printed this year which are being handed out free to all drivers. Student braves and squaws will be distributing it at ports and at the start of motorways.

Clever Buffalo has been so successful that the total number of hours spent by furious families on blocked up roads has fallen from two million in 1975 to 835,000 last year. The Ministry of Transport estimates that the average car burns up two litres of fuel an hour when it is stuck. Last year alone therefore Clever Buffalo saved 2,500,000 litres of fuel.

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expects the elect-

orate to share his point of view
and reject the Communist
offensive. The Communists are
believed to feel that their
demand for a further inquiry
into the allegations will help
their own chances at the polls.

One of the two sides will
presumably be proved wrong
by Sunday's vote but for the
moment each feels it has
devised an attractive issue. The
Communists feel that they are
showing themselves to be an
effective opposition. The Christ-
ian Democrats believe that the
image of themselves as united
in face of unwarranted charges
will sway the electorate.

In the meantime, Signor
Cossiga's determination to ride
out the storm removes any
immediate danger of a govern-
ment resignation. Signor Piccoli
feels that the meeting of the
European Council and the con-
ference of the world's leading
industrialized countries will
take place in Venice this month
without the embarrassment of
a host government with only
cavalier powers.

He also believes that, once
the elections are over, the Com-
munists will probably settle for
a parliamentary decision calling
for a further inquiry into the
affair of Signor Donat Cattin,
son by the commission which
on Saturday voted by a narrow
majority to close the case.

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President Eanes
pays official
visit to Norway

From Our Correspondent
Lisbon, June 3

President Eanes of Portugal
began a three-day official visit
to Norway today.

Trade relations between
Portugal and Norway within the
European Free Trade Association
have proved favourable to
Portugal which imported
mainly salted cod from Norway
and exported textiles.

The Foreign Ministry said
today that Dr Francisco Sá
Carneiro, the Prime Minister,
was still not fully recovered
from a slight injury sustained
recently during his car journey
from Heathrow to London and
Dr Freitas de Azevedo, the
Foreign Minister replaced him
in the President's party.

els speculation over
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or four-year term.

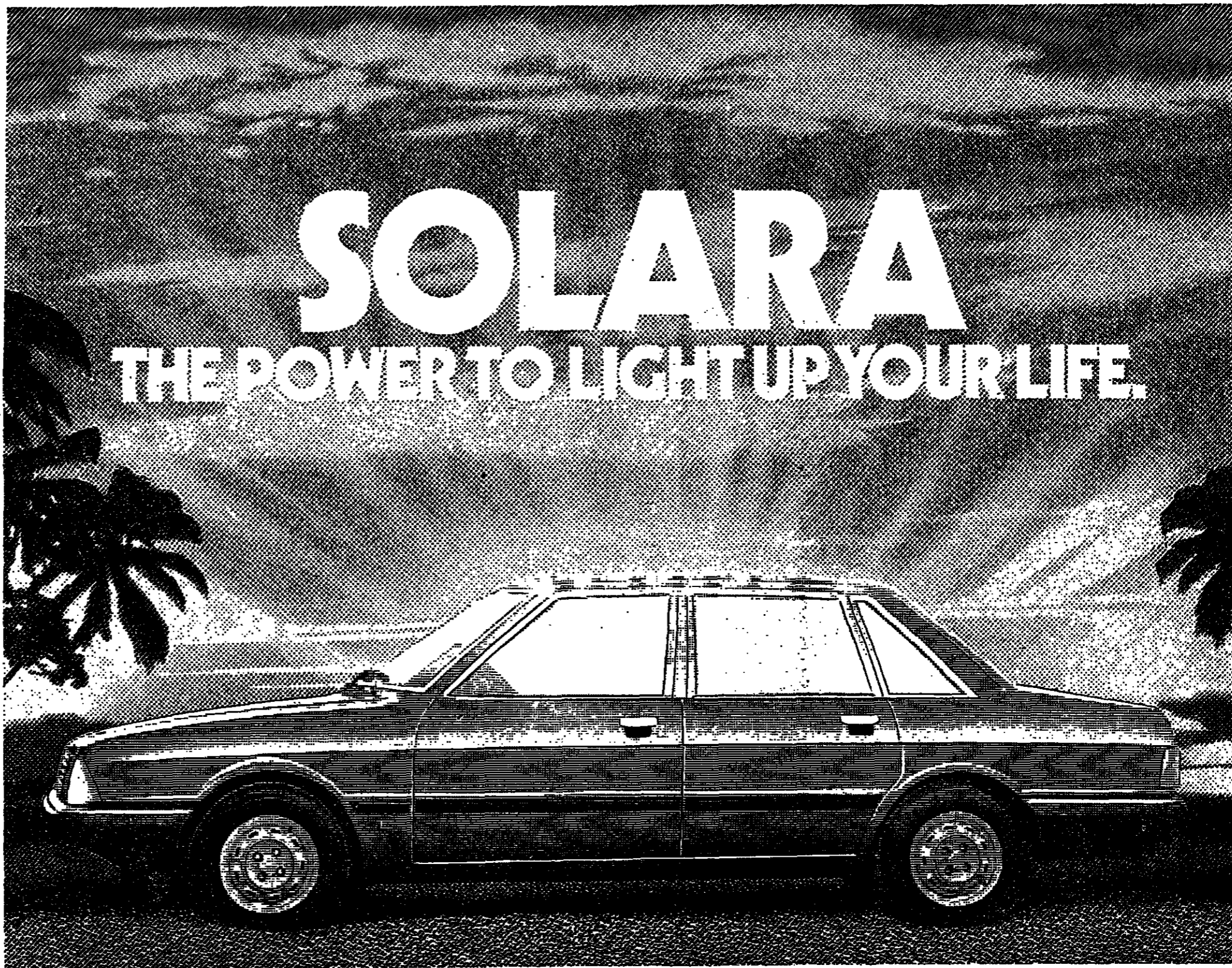
Both Signor Pandolfi and
Signor Colombo, however,
would be contenders for the
Italian premiership if Signor
Francesco Cossiga were im-
peached or resigned, and that
possibility could sharply reduce
any interest they might have in
Brussels.

Luxembourg has never had
the job before, and Mr Thorn
would be a well qualified candi-
date. But he is said to have
crossed President Giscard
d'Estaing of France, who is a
dangerous enemy to make.

The French President is said
to have been particularly in-
censed when his nominee for
the chairmanship of the board
of Radio Luxembourg was
voted by Mr Thorn. The post
is traditionally filled by the
French.

The star of Mr Gundelach,
once considered very much the
favourite, now appears to be
waning. A career civil ser-
vant whose technical virtuosity
and command of a difficult
portfolio is widely acknow-
ledged, he none the less is felt
by some to lack the political
and managerial skills for the
job.

The Danes have a strong
claim on the Commission presi-
dency however, since, like the
Luxembourgers and the Irish,
they have never provided an
incumbent before.



HOW THE NEW TALBOT SOLARA WILL LIGHT UP YOUR LIFE.

THE LOOK

The new Talbot Solara radiates style, but not without purpose. Its aerodynamic shape drastically reduces wind resistance and noise, and dramatically increases fuel economy. (Up to 46.3 mpg from the 1600 5-speed at a constant 56 mph).

THE POWER

With Solara there's no trade-off between economy and power. Our 1300 and 1600's develop more horsepower than most conventional engines of the same capacity.

THE CHOICE

The brilliant new seven car Solara range includes 1300 and

1600 engines, 4 and 5-speed manuals, an automatic, and LS, GL, GLS, and top of the line SX. All with a spacious, airy interior.

THE EXTRAS ARE STANDARD

The Solara SX comes equipped with trip computer, cruise control, power steering, electric windows, central door locking and more. And no matter which Solara you opt for they're all fitted with electronic ignition, heated rear windows, reclining seats, radio, and inertia reel seat belts.

THE STRENGTH

The strength of the Talbot name is behind every Solara with its

proven and comprehensive warranty, 10,000 mile servicing, and the 'Extra Care Policy.'

THE PRICE

£4,068 to £6,370. And you'll be surprised at the deal your Talbot dealer will offer.

If these facts haven't shed enough light on the new Solara, see your Talbot dealer and ask for a test drive. Light up your life.



Ask about the special Talbot Insurance Plan which may save you up to 20% for DVLA Free Excess. See your Talbot Finance Experts Ltd. Dealership House, Pinner, London W11 0F. 493 7200. Prices include 12-month full warranty, delivery charges and number plate. Excludes taxes. Solara Consumption Figures at simulated urban driving: constant 56 mph and constant 75 mph. 1300 1200cc 30.4 mpg (12.3L/100km) 44.1 mpg (6.4L/100km) 32.5 mpg (8.7L/100km) 16.5L/100km 29.7 mpg (10.2L/100km) 43.5 mpg (6.5L/100km) 31.7 mpg (8.2L/100km) 16.5L/100km 23.1 mpg (7.7L/100km) 41.5 mpg (6.8L/100km) 31.0 mpg (8.1L/100km) 16.5L/100km 33.1 mpg (8.1L/100km) 46.3 mpg (6.1L/100km) 34.4 mpg (8.2L/100km) 16.5L/100km 27.7 mpg (10.2L/100km) 37.2 mpg (7.4L/100km) 27.7 mpg (10.2L/100km).

OVERSEAS

Mayor who lost both legs in blast accuses Israeli Secret Service

From Christopher Walker
Nablus, June 3

Mr Bassam Shaka, one of the most popular and militant Palestinian leaders in the occupied West Bank today openly accused the Israeli Secret Service and Military Government of involvement in this week's highly professional booby trap bomb attacks aimed at killing him and two other Arab mayors.

He was speaking less than 24 hours after losing both legs. A remarkably composed Mr Shaka told *The Times*: "The attempt to assassinate me and the Mayor of Ramallah was a continuation of Israel's policy of trying to eliminate people like us from our country. The same policy was used in a different way last month when they expelled the Mayors of Hebron and Halhoul."

Mr Shaka claimed that a few weeks ago, the Israeli Military Governor of Tulkarm near by had told the father of a teenage Arab youth killed during a scuffle with another Israeli officer: "I wish it had been the son of Bassam Shaka rather than your son who was shot dead."

Although still on the medical danger list and banned by the Israelis from communicating with the press, Mr Shaka insisted on being allowed to talk to two other reporters and myself when we arrived at the Rafidia Hospital this morning.

Behind him, as he lay in bed, were a series of militant Palestinian slogans, one of which read: "We might be killed,

deported and tortured, but we will never surrender."

Outside squads of heavily armed Israeli soldiers ringed the building while corridors close to Mr Shaka's ward were jammed with Arab well-wishers spanning the social spectrum from pro-Jordanian notables to left-wing municipal workers.

The approach road was littered with burnt tyres, dismantled barricades and empty tear gas containers, reminders of the angry demonstrations which took place yesterday.

Talking in Arabic, Mr Shaka pledged that he would return to his post as Mayor of Nablus, the largest town in the West Bank.

"What has happened will expose Israel's policy of racism against us. It will make me stronger personally and give the Palestinian people a fresh will to continue their struggle," he said.

The hospital said he could be expected to resume work within two months.

Asked whether he had confidence in the pledge of Mr Menachem Begin, the Israeli Prime Minister, to launch a full investigation into the attacks, Mr Shaka smiled broadly and quoted from an old Arabic proverb: "Sometimes the killer will deliberately attend the funeral of his victim."

Surrounded by an admiring crowd of Palestinian doctors, nurses and orderlies, Mr Shaka spoke proudly of the way in which his family had turned away Brigadier Ben-Elissar, the Israeli Military Governor the



Mr Shaka in hospital, where he vowed to continue as mayor of Nablus.

the previous evening. He came to my house, to the scene of the crime but my son and daughter refused to let him in. They turned him away and told him that he was responsible for the attack."

Although not able to provide concrete evidence about his would-be assassins, Mr Shaka said that late on the night the bomb was planted in his car he had been in his garden entertaining friends. "The birds suddenly started to sing and I went to see who had disturbed them. But I found nobody."

About 25 miles away in Ramallah Hospital, the condi-

tion of the other mayor, Mr Karim Khalaf was improving. He lost a foot and like Mr Shaka, he insisted on talking to journalists but did so under heavy sedation.

Mr Khalaf said he received threatening letters from Jewish settlers some months ago and handed them to the authorities. He also pledged to return to his municipal duties. Mr Khalaf contemptuously dismissed suggestions made by Israel radio that the bombs may have been planted as part of an inter-Palestinian feud.

Elsewhere on the West Bank, tension remained at its higher

since the area was seized from Jordan 13 years ago. It was similar in the occupied Gaza Strip, where the mayor and his council resigned yesterday in protest at the murder attempts.

Today Mr Elias Freij of Bethlehem, another moderate Palestinian mayor, and his entire council also resigned in protest.

Throughout the morning Israeli soldiers forced Arab shopkeepers to open their premises and give an impression of normality. Moves were ordered to counter a Palestinian call for a three-day

South African scientist 'sold energy secrets'

From Eric Marsden
Johannesburg, June 3

A young South African scientist accepted money from the African National Congress (ANC) for "research in South Africa" and provided the banned black organization with information on energy utilization in the country, including nuclear power, oil and coal, the Supreme Court in Pretoria was told today.

Mr Justice Eloff found Dr Renfrey Leslie Christie, a former deputy president of the National Union of Students of South Africa, guilty on five charges under the Act. Dr Christie had pleaded not guilty on all seven counts. Sentence is to be passed on Friday.

The judge found that Dr Christie supported the violent overthrow of the South African Government, which was sought by the ANC. Evidence was produced that the scientist had met in London Miss Frena Ginwala, an ANC official, who knew that he was sympathetic to her organization's cause and that he was well informed on energy matters.

Dr Christie had said in his statement that he was fully aware of what he was doing. He did not expect the Koeberg nuclear power station, near Cape Town, to be blown up "while actions were critical" but before then, so that building operations would be delayed for several years.

Dr Christie had written a letter on February 7, 1980, to Mr Lars-Gunnar Erikson, the director of the International University Exchange Fund, conveying information he had got from the South African Atomic Energy Board on places where it was considered zseismologically safe to explode nuclear devices in South Africa. The judge said he thought he was guilty on this charge, though a conspiracy with the IUEF had not been proved.

The scientist was also convicted on a charge alleging that he had removed a drawing of the general layout of the Koeberg nuclear power station and a report of public reaction to nuclear power and posted these to Miss Ginwala in London.

Dr Christie was arrested last October, some months after his return to South Africa from Europe.

Gold miners' riot: Police used gas to disperse striking African mine workers, who had refused to go underground at Stifffontein gold mine, near Klerksdorp (Gerald Shaw writes from Cape Town).

A mine spokesman said police were called after an attempt had been made to set two community centres alight. Thousands of coloured and African workers in the Cape Peninsula are walking to work or hitching lifts at the roadside as the bus boycott, in response to increased fares, entered its second day. Cars and buses have been stoned but no serious injuries have been reported.

Meanwhile, South African security police have again swooped in various parts of the country, detaining students and others, and bringing to about 300 the total of detainees since the present wave of unrest began.

Leader Britain quell isl rebellio

From Denis Reind
Port Vila, New E
Wednesday morni

Father Walter Minister of the N today appealed forces to quell the Espiritu Santo isl

His appeal if refused by Ins Jacques Robert, Resident, to "ag action against the New Hebrides, an condominium, is d independent on J Father Lin's Gov

There has been the Franc authorities here. A the Lopevi, which up a sick Franci Espiritu Santo w by a rebel-crowd

This incident le exchange at a meeting between dents and the Cl Mr Andrew Stuar Resident, storme Robert, criticized attempt.

However, there tions that French remained on the are now anxious this may lead French rescue op Military prepar French and Bri means have agree attempto resumed before is considered, Mr Minister at the F old Parliament it was clear that confidence that compromise i results (Hugh No

Mr Blaker said sent two military the New Hebride advise what ste necessary if the tions did not suc

Mr Blaker, who on his talks in Pa with Mr Paul French Secretary Departments and said they had ag authority of the l rument must be soon as possible

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"Coal, gas, nuclear..."

... or a shattering bill for increasingly scarce imported oil when present North Sea oilfields run down. Britain's self-sufficiency from the fields discovered so far cannot last much beyond 1990. If new fields aren't found — and developed — by then, dependence on costly imports is a certainty.

What about substitute fuels? They will help, of course, but only up to a point. Coal, for instance, is plentiful in Britain and will increasingly replace oil in power generation. That's fine, but you can't run cars on nutty slack. And large-scale conversion of coal into liquid fuels is still at least a decade away.

Gas production in the UK would be increased by the gas-gathering network recommended to the Government by a British Gas/Mobil study group. But though gas, like coal, could be converted into liquid fuels, any increased UK gas supplies would probably be taken up for heating and petrochemicals.

Nuclear expansion could be used to help curb Britain's oil dependence — provided popular disquiet

over safety can be resolved. But that won't happen overnight. And long construction times mean that nuclear expansion won't have much impact before the mid-1990s.

Clearly, conventional substitutes can be only part of the solution. Which brings us back to the North Sea. There could well be enough undiscovered oil out there to maintain Britain's self-sufficiency beyond the 1990s. The Government's May announcement that it plans to release 90 more areas for exploration was therefore welcome news. What's needed next is regular release of attractive exploration rights, and approval to develop promising discoveries.

If the UK is to extend its energy self-sufficiency, there's really no alternative.

Mobil

Mr Clark offers to be hostage

From Tony Albaway
Tehran, June 3

Mr Ramsey Clark, former Attorney-General of the United States, in an emotional speech to an international conference here today, offered himself in exchange for one of the American embassy hostages "if it will help resolve this tragic crisis."

At a later press conference an American clergyman warned the Iranians that President Carter might actually want the hostage-taking to continue as an excuse for further actions against Iran.

But the 10-member American delegation led by Mr Clark seemed to be trying almost too hard to convince the Iranians of their sincerity. There were hints that their visit had left the student militants holding the hostages and their hard-line political supporters unmoved.

Unconfirmed reports circulated Mr Clark a message saying he was "not welcome" in Iran because he "worked for the United States Government."

Mr Clark's speech was full of its condemnation of America's past record in Iran

Amin offer to return 'save Ugandan people'

By Michael Knipe

A seemingly buoyant Idi Amin expressed concern over the situation in Uganda in an interview shown on BBC television news last night and expressed his willingness to return in order, he said, to save the people from the chaos of what was happening there now.

The former dictator was interviewed in an unnamed Arab country by Brian Barron, the BBC East Africa correspondent, and filmed by Muhammad Amin, an East African cameraman working for Visnews.

It was Idi Amin's first public comment or appearance since he fled before the invading Tanzanian forces just over a year ago. Appearing even bulkier than previously, he was wearing what appeared to be a blue safari suit and an elegant cravat and spoke in a subdued but confident manner.

Describing himself as "the poorest leader in the world" and "the founder of Uganda's economic independence", he said it was his intention to work for his people.

He denied that his army had done badly in the war with Tanzania. His forces were not destroyed, he said. He was a military officer, trained by the British. "In military tactics you can either fight the war or if you think you will win later you can tactically withdraw."

Asked if he considered himself to be the man who could save Uganda, he said: "I can, if the Ugandans want me. I will." He was not power-thirsty, he said, but he was prepared to go back and "rescue innocent, poor Ugandans."

Mr Barron, referring to some of the horrors associated with the Amin regime, said that three days after the liberation

of Kampala he had been in the basement of the S Bureau (the Uga forces) and found with corpses and over the floor.

How, he asked, there? The ex-Pr any responsibility tion. "After the Kampala they be and put them State Research claimed.

He expressed si involvement in ti four European whose bodies wer after the Tanzan and that of Mrs the Israeli wom following the En "I know nothing Bloch," he said.

Asked about M his former Briti ciate now in a U Idi Amin said he "Bob Astles was anyone poor", in those he helped

Although Mr B cameraman decli where the intervie it is believed th where in Saudi A Amin has been re taken refuge thew few months. Afte disappearance he have lived at first in Libya.

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SEAS

des agreement to p teams for on church unity

Modiano

3 Catholic and churches agreed in on how and when the theological dialogue would be assigned to the subcommittees.

The agenda agreed upon by the Catholics and the Orthodox specified that the first phase of the dialogue would deal with the sacraments. In Rhodes, the Catholics proposed that the discussion should begin with a study of the relationship between the local church and the universal church (raising the delicate question of Orthodox autonomy). "The Eucharist and the Church" (the use of Leavened and unleavened bread), and the Trinity and the Church (the controversial use of filioque in the Creed).

In the view of the cardinals in Rhodes, these topics were interrelated since the Vatican's idea was to find through them a formula that might combine church unity and the autonomy of the Orthodox. The target was the restoration of full communion in the sacraments and unity in the Creed within the context of what is described as "jurisdictional plurality", bypassing the touchy question of papal primacy.

Some of the Orthodox delegates objected to the inclusion of topics not listed in the draft agenda, and the representatives of the Church of Greece indicated that they had no mandate to discuss anything outside the draft agenda. The atmosphere at the joint meetings, however, was clearly conducive to agreement.

Anglican standpoint: The Archbishop of Canterbury the Most Rev Robert Runcie is in favour of eliminating the filioque clause from the Creed, but this cannot be done immediately, according to a statement from Lambeth Palace received in Athens.

The statement was issued by the Rev Christopher Hill in deny a Greek press report that the archbishop had announced his decision henceforth to omit filioque from the recital of the Creed as he had done during the service for his enthronement.

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r penetrates mystery ayan civilization

June 3.—A

designed to map Venus has discovered network canals more ears old hidden in the rainforests in a Belize.

Aeronautics and dissection (NASA) agists believe that nabled the Maya er from swampy reate small plots where crops could

he discovery may the Maya were their estimated f two to three sen AD 250 and and of either arid ous country or les.

Richard E. W. chaeologist from sity and an erer Cambridge Uni d what appeared in images pro an early test of rom an aircraft ve the usually

cloud-covered forests of Guatemala and Belize. The radar was developed by Nasa and the American Defence Department and adapted by Nasa's Jet Propulsion Laboratory in Pasadena, California, to penetrate the clouds of Venus and map that planet's surface features. A Nasa Venus satellite, using a different radar system, recently produced a topographic map of 93 per cent of the planet's surface.

When used over Earth's jungles, the radar enabled scientists to produce clear images of varying layers of the foliage. The radar measured the variations of the height of the layers and allowed researchers to determine land levels beneath the vegetation.

Dr Adams was checking the radar data for evidence of ancient settlements or roadways when he found unnaturally uniform grid patterns.

Dr Adams, who said ground studies had only begun, estimated that 11,000 square miles of canal systems lie beneath the rain forests of Guatemala alone.—UPI.

o dismiss rean r fails

3.—Ecuadorian Parliament failed in attempt to have is Feraud, the sister, dismissed ple chamber voted the motion.

ended a month's process designed leñor Feraud for scution of politi-yaquil, Ecuador's and aim a blow iration of Presi-olidos.

tions were part of struggle between and Señor Assad t parliamentary er.

1 alarm over US plans l gold looted by Nazis

may rowing alarm in American moves or all of the 20 l looted by the zechoslovakia and by the allies since ord War.

to informed East urses Prague is n appeal to Brit- e the joint cus e gold under the 1946 Paris cement—to block by the United e gold to com- zens for prop- ized in Czech- r the 1948 com- er.

Private shops reopen in Shanghai

3.—Private- owned shops have begun to reopen in Shanghai for the first time since the mid-1960s, when they were banned as "remnants of capitalism".

According to the People's Daily, the shops, mostly run by married couples, were convenient because they opened early in the morning and did not close until late at night.

The Communist Party newspaper said that, under the rule of the purged "gang of four" leftist leaders, who rose to power during the last decade of Chairman Mao's life, all privately-owned shops had been nationalized or closed down

and private citizens for their properties nationalized in Czechoslovakia without the consent of Britain and France.

The gold has great emotional value for Czechs. Its return would be a moral victory for the Husak regime, allowing it to claim that it is the true representative of the country's national interests.

In view of western attitudes on human rights and Prague's strained relations with the West, Czechoslovak authorities realize, according to the sources, that the chances of the gold's return are slim, but they are anxious to open negotiations on the subject, or at least to maintain the status quo.

They point out that six tons of the gold had been returned by the allies in 1947 but President Truman "stopped unilateral" the shipments after the 1948 communist takeover.

This, they maintain, was "an illegal act" because the commission of American citizens for properties sequestered by the state—the condition set by President Truman for the re-umption of the gold shipments—was in no way related to the safe-keeping by allied trustees of looted Czechoslovak gold.

Greek move to stop maiming of horses

From Our Own Correspondent Athens, June 3

Greece has lifted a ban on the export of healthy horses to stop the cruel practice by some exporters who were mutilating the animals to obtain a licence to ship them to Italy for dog food.

The ban was revoked on an urgent order from the Government after a French television documentary showed how thousands of old horses were deliberately maimed, with their eyes gouged out or their limbs broken.

The Greek authorities have also opened an inquiry to establish whether a penal offence has been committed and the disciplinary committee of the Export Trade Council is examining the ill treatment of the horses.

There have been repeated denunciations about the harsh conditions of transport for cattle in Greece and international organizations have appealed to the Government.

Two Bolivian air crashes kill 18

La Paz, June 3.—Eighteen people have died in two air crashes in Bolivia yesterday, civil aviation officials said. A Lloyd Aereo Boliviano aircraft crashed near the Argentine border killing 13, while the others died in another crash north of La Paz.

Four of the victims were leaders of the leftist Democratic Popular Unity Party (UDP).

After Quebec vote a definition of 'renewed federalism' is needed Canada seeks basis for constitutional reform

From John Best Ottawa, June 3

In spite of the calls sweeping Canada for reforms in the federal system, now that Quebecers have voted against autonomy, an immense gap still exists between talking about constitutional change and actually bringing change about.

The federalist victory in last month's referendum on autonomy has undoubtedly given an impetus to the movement for reform. Mr Pierre Trudeau, the Prime Minister, is taking advantage of this in trying to make good a promise he made to Quebec voters during the referendum campaign: that he would push for changes in the federal system if they would spurn secession.

The problem is that nearly everybody has his own idea of what "renewed federalism" means.

Each of the 10 provincial premiers has his own definition—including Mr René Lévesque of Quebec, who is willing to accept the referendum verdict at least to the extent of taking part in renewed constitutional talks.

Mr Lévesque told a press conference that "sovereignty-association" — political sovereignty for Quebec in a continuing economic union with Canada—would remain the goal of his Parti Québécois Government, but the Government now had no mandate to promote it.

"We were refused the mandate we sought and we must act in consequence," he said.

In general, the provinces, with the possible exception of industrial Ontario which has always done very well from confederation, want more provincial autonomy, which implies less federal power.

But there are nuances and even contradictions in their positions. For instance, the Atlantic provinces, a region economically weak, would not want to see the Federal Government's power weakened to the extent that it could no longer redistribute national wealth through so-called equalization payments.

Yet Mr Brian Peckford, the Premier of Newfoundland, and one of the young Turks of the provincial-autonomy movement, has recently come up with the astounding proposition (historically) that the central government has "only that life and that authority delegated to it by the 10 provinces".

Mr Peckford's province is the poorest of all, and hence most in need of handouts from the Federal Government. Logically, he might be expected to champion strong central government.

The contradiction in this case is more apparent than real, however, because Newfoundland is believed to be on the threshold of great wealth from expected offshore oil discoveries. The Premier is already in a dispute with Ottawa authorities over federal versus provincial jurisdiction over these resources.

Mr Trudeau said after the referendum that "everything is negotiable" as far as the Federal Government is concerned except the idea of clearly-defined federal and provincial jurisdictions and that of a charter of fundamental rights for Canadians, including language rights enshrined in a new constitution.

Mr Jean Chrétien, the Federal Minister of Justice, dispatched by Mr Trudeau for a series of visits to provincial premiers the very day after the referendum, said on his return to Ottawa that he had found them "in a mood to cooperate".

There is talk of a conference of federal and provincial first ministers in July.



Mr Pierre Trudeau, the Canadian Prime Minister, left, shakes hands with Mr René Lévesque, Premier of Quebec, at the start of a conference on the Canadian economy

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Chad rebels bombard President's residence

Ndjamena, June 3.—The

artillery of Mr Hissene Habre's rebel army inflicted heavy damage yesterday, on the residence of President Goukouni Oueddei, of Chad after the insurgents had tried in vain to cut off supplies to the presidential compound.

It is not clear whether Mr Goukouni was in the residence during the shelling which was watched by thousands of Chadian refugees from across the Chari river in Cameroon. The residence is on the river bank in Ndjamena.

Forces loyal to Mr Goukouni and his allies have been fighting Mr Habre's men in the Chad capital since March 21. Mr Habre was dismissed from his post as Defence Minister in April, but does not accept his dismissal.

Refugees on the Cameroon bank could see Mr Goukouni's men running for shelter from the hail of artillery shells falling on their positions.

Over the weekend Mr Habre's forces published a communiqué saying they had wiped out 80 men of the forces of Vice-President Abdelkader Kamougue, an ally of Mr Goukouni. —Agence France Presse.

Kabul sends wrestlers

Kabul, June 3.—Afghanistan,

the country at the centre of the Olympic boycott after its invasion by Soviet troops last December, announced today that it would send five wrestlers and five boxers to the Moscow games.

...solar, shale,
tidal, wind, wave,
geothermal,
ocean thermal,
and so on, and so on,
and so on..."

The list of alternative energy sources seems endless. Endless possibilities, endlessly discussed. Now, with North Sea oil providing the time and the funds to invest, Britain has the opportunity to press ahead with major developments in alternative energy.

But developing the technology is one thing; putting it into large-scale practice is quite another. The idea of harnessing tidal power, for example, has been around since at least 1910, when Lloyd George's Cabinet debated the merits of a barrier across the Severn Estuary. Now, 70 years later, the latest Government report says the project is 'technically feasible'... but that its economics are still uncertain. Construction is unlikely to start before the late '80s, and could take 15 years to complete. In little over half that time, the oil industry could probably find and develop a new generation of new North Sea oilfields.

Not that we're advocating any delay in adopting alternatives. On the contrary, Mobil is among the

pioneers in many alternative energy fields — including oil shale, heavy oil, uranium and cheaper ways of harnessing solar power. But countries like Britain have spent most of a century gearing their way of life to oil. Building alternative energy industries big enough to take over will take many years and many billions of pounds.

Meanwhile, continued North Sea exploration and development is essential. At least until exotic alternatives can be counted on as down-to-earth solutions.

Mobil®

OVERSEAS

Mugabe Government faces exodus of white civil servants

From Nicholas Ashford

Sahibpur, June 3. During the past couple of days, four senior and middle ranking white civil servants attached to one of Zimbabwe's main economic ministries have announced their intention to take early retirement. They are the latest in a growing line of white civil servants who have decided they have no future working under a black Government.

No-one is saying exactly how many whites have decided to quit the civil service since Mr Robert Mugabe's election victory. However, the figure is believed to be in excess of 500, most of them holding senior and middle-ranking positions. Until now the 40,000-member civil service has been a white bastion in which all top and middle-ranking posts were held by Europeans. Even when it became inevitable there would be black rule, the Public Service Commission failed to embark on an effective Africanisation programme.

As a result, the highest post held by an African is only that of senior administrative officer. Many of the more junior posts, such as secretaries or commissioners, were also given to European wives or to white pensioners rather than to blacks.

According to one middle-ranking civil servant whose prospects for promotion now seem slim, morale within the service is "very low indeed". According to him, it is not so much because of the Government's plans for Africanisation, which most civil servants regarded as inevitable, but the unfortunate way some of the changes have been presented. In particular they have resented statements made by Mr Edgar Tsvangirira, the Minister of Manpower Planning and Development, who accused senior civil servants of sabotaging the Government's plans for Africanisation.

Mr Tsvangirira also let it be known that all new appointments and promotions would be frozen until further notice, alleging that there had been a rash of promotions in the interim between Mr Mugabe's elec-

tion in February and his accession to power in April. He implied that this had been done so that civil servants would receive better pension benefits when they took early retirement.

Mr Tsvangirira's "freeze"—the justification for which has been given by civil servants—coincided with a big advertising campaign in the local press calling for applications to join the civil service. Whites associated the campaign to recruit Africans to the service with the "freeze" on their own jobs.

White fears have to some extent been allayed by a directive issued at the end of last month by President Nkomo to the Public Service Commission on the question of Africanising the civil service.

He pointed out that the constitution agreed at the Lancaster House conference last year provided for more rapid African advancement so as to provide a more representative racial balance in the civil service.

In a statement explaining how the service was going to be overhauled, Mr Mugabe explained that some blacks would get top jobs despite having less experience than whites. But he also said that senior whites who were less-qualified in this manner would receive cash compensation for the setback in their careers.

The key to change in the upper echelons of the civil service will be through bringing in black supernumeraries to work alongside the white civil servants whom they will eventually replace. This idea together with the plan to pay compensation, was proposed by a team from Whitehall which has been advising the Government on restructuring the civil service.

Talks on the cost of the compensation plan, which was discussed in London last month between Mr Mugabe and Mr Kenneth Robinson, the British Ambassador, are still continuing with the British Government.

Although Mr Mugabe has made it clear that there is to be no campaign to displace Europeans, and has gone out of his way to praise the white civil servants who have cooperated with the new Government, many whites still feel the time has come for them to get out.

Tanzania-Zambia railway needs economic revival

Lusaka, June 3.—The Tanzania-Zambia Railway (Tazara) might collapse unless the governments of the two countries take urgent measures to make it economically viable, Mr Augustine Mwingira, the Tanzanian Transport Minister, was quoted today as saying.

Zambia's official press said Mr Mwingira made the remark yesterday while opening the seventeenth meeting of the Tazara Council of Ministers in Lusaka.

The Times of Zambia said Mr Mwingira made some suggestions for the Chinese-built railway which was completed in 1975, including a guarantee of 45,000 tons of metal from Zambia mine refineries every month as standard cargo, obtaining spares from China, buying more locomotives and reducing wagon turnaround time from 12.5 days to 10 or 12 days.

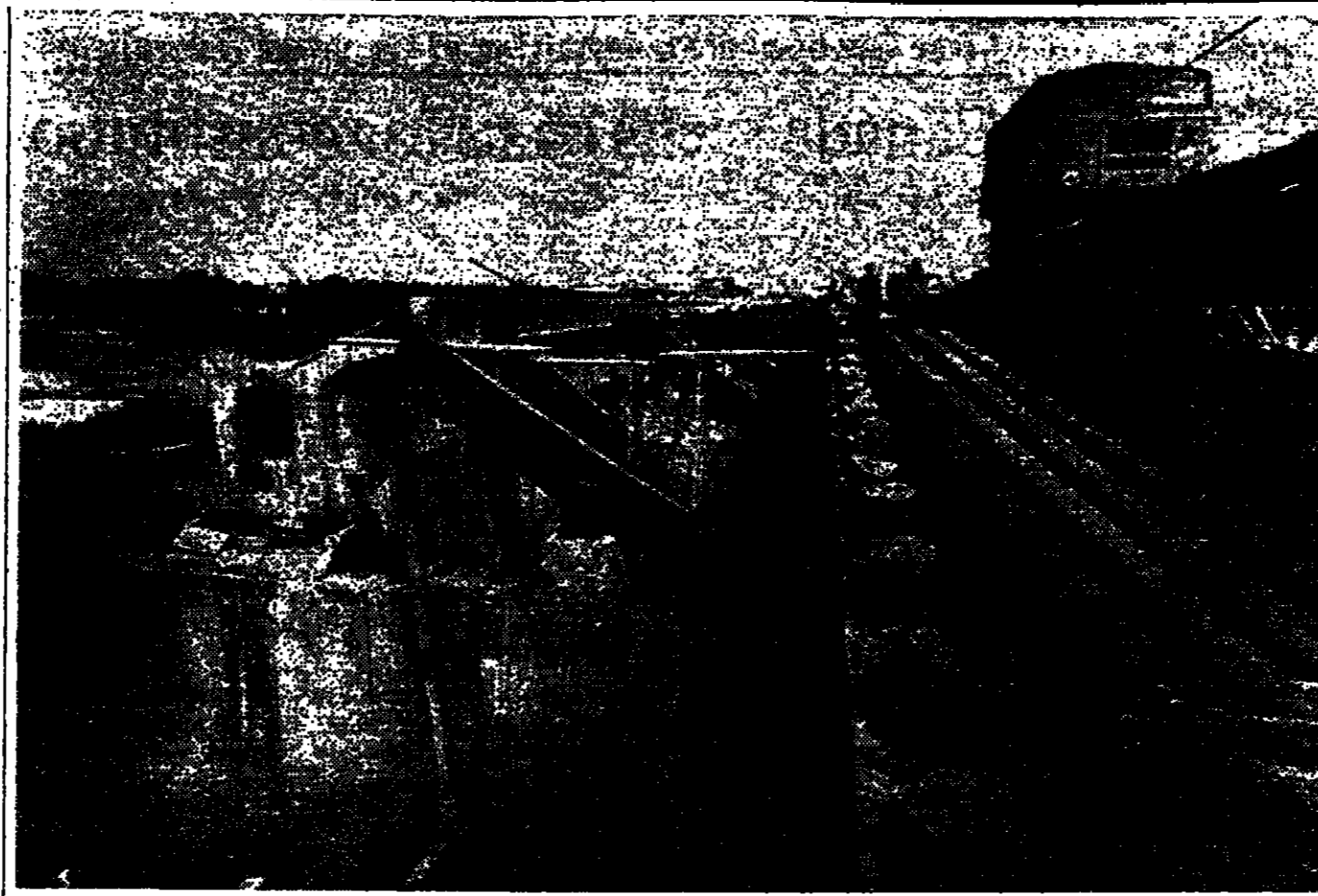
Tazara bridges in Zambia have been a target for Zimbabwe Rhodesian commandos during

the latter stages of the seven-year war of independence in retaliation for Zambia playing host to nationalist guerrillas. A 575 ft bridge spanning the Chibambesi River is expected to be out of commission for some time because high water is hampering reconstruction.

There have been difficulties recently at Dar es Salaam because heavy rains washed away a feeder road from the railway to a new Zambian-built copper dock complex.

Zambia's biggest state-controlled mining company, Nchanga Consolidated Copper Mines, reported that it had shipped 23,312 tons of copper to Dar es Salaam in March and 24,831 tons in April.

That compared with a total of 11,878 tons for the two months shipped to the South African port of East London on the so-called southern rail route through Zimbabwe. This trend would continue, the company said.—Reuter.



A lorry travels across a temporary surface on the road and rail bridge at Chokwe while workers complete repairs.

Trade resumes across border that saw more than 350 raids

Zimbabwe peace brings hope to Mozambique

From Nicholas Ashford

Chokwe, Southern Mozambique. At lunch time on September 5 last year, just before the Lancaster House talks were due to begin in London, a group of Rhodesian and South African army helicopters suddenly landed at various strategic points along the Limpopo river valley in Mozambique's Gaze province.

Groups of heavily-armed black and white Rhodesian soldiers, supported by former Portuguese soldiers who had lived in this region until the Frelimo Government came to power in Mozambique, disgorged from the helicopters and embarked on what was to be one of the biggest Rhodesian raids into Mozambique during the four years the country was in a state of undeclared war.

During five successive days the Rhodesians carried out a series of ambushes and sabotage attacks which were designed not only to cut off the vital rice-producing area from the rest of the country but also to disrupt production at the Limpopo Valley agro-industrial complex, the biggest agricultural scheme in Mozambique.

Rhodesian sappers blew up the centre span of the road and rail bridge across the Limpopo River which is on the main route between Maputo and the Zimbabwe border. Other bridges were also blown up, water tanks and vehicles were destroyed. More than 50 Mozambicans in the Chokwe region alone lost their lives during the attack.

However the raid was by no means a complete success from the Rhodesian point of view. Only one of the sluice gates on the dam across the river, which controls irrigation for the agricultural scheme, was damaged and rice production was hardly affected. And the Rhodesians suffered their most serious single loss of the war when the Mozambicans shot down a Bell helicopter, killing all 13 men on board.

A week ago the Rhodesians returned to Chokwe, but this time they came as Zimbabweans and in peace. An all-white delegation from Zimbabwe led by Mr Aquino de Braganza, director of the Centre of African Studies at the Eduardo Mondlane University, "We hope this change now there is peace along the border."

One of the most immediate effects of the normalisation of relations between Mozambique and Zimbabwe has been a resumption of Zimbabwean traffic through Mozambican ports, albeit still at a very low level. Rhodesia used to account for more than 60 per cent of the traffic through Beira and a substantial portion of the traffic through Mozambique. But this ceased after the closure of the border in 1976.

Last week I saw a mountain of Zimbabwean sugar being deposited in a warehouse in Maputo to await shipment. It had been destined for Durban but was diverted to Maputo. It was the first major Zimbabwean export through Maputo in four years. Steel and chrome ore exports are expected to resume soon, although the level is unlikely to reach pre-war levels until the railway line between Zimbabwe and Maputo has been reopened, probably not before the end of this year.

Zimbabwean exporters have, however, been slow to restart traffic through Beira which is much closer than Maputo. So far only a consignment of tea has passed through Beira. Mr Manuel Pedro, the port's director, blamed the slow resumption of Zimbabwean traffic on South African and Rhodesian propaganda which claimed that the port had silted up and was not able to operate efficiently.

At present Beira is functioning at half its pre-war levels of 3.5m tonnes a year but Mr Pedro is confident that traffic should reach 5m tonnes by next year.

He believed that Beira would not only regain its position as the main trade terminal for Zimbabwe but will also accommodate increasing amounts of traffic from Zambia, southern Zaire, Malawi and Botswana. Plans for a major expansion of Beira port are in hand.

Both the Zimbabwe and Mozambique governments are laying great emphasis on the need to cooperate in the reconstruction and development of their countries. During a meeting in Beira between President Samora Machel of Mozambique and Mr Robert Mugabe, the Zimbabwe Prime Minister, Mr Mugabe talked about the "need to heal the wounds of war together".

Mozambique will also have a key role in plans discussed at a recent summit meeting in Lusaka for regional cooperation among the nine independent black states of Southern Africa. In particular these countries want to reduce their dependence on South Africa whose ports at the moment handle a substantial part of their external trade. Maputo, Beira and the northern port of Nacala could be ideal alternatives, which is why the Lusaka summit decided to establish a new regional port and communications headquarters in Maputo.

The Mozambique Government believes that the settlement in Zimbabwe will encourage foreign investment which has been noticeably lacking during the five years since independence. They have hopes that foreign capital will be forthcoming not only to develop ports and infrastructure projects but also to exploit the vast reserves of minerals and natural gas. "Investors did not want to come here while the country was being bombed all the time," said Mr Jose Luis Cabaco, the Minister of Information, "but now they are already taking a greater interest in Mozambique now that the war has stopped."

Some of the most serious problems facing the new governments are the need to cooperate in the reconstruction and development of their countries. During a meeting in Beira between President Samora Machel of Mozambique and Mr Robert Mugabe, the Zimbabwe Prime Minister, Mr Mugabe talked about the "need to heal the wounds of war together".

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Court of Appeal

Vetting necessary to exclude disqualified jurors

Regina v Mason

Before Lord Justice Lawton, Mr Justice Michael Davies and Mr Justice Balcombe.

Some jury vetting is necessary if persons disqualified from acting as jurors are to be excluded from the Court of Appeal stated Vincent Mason, a dealer, for leave to appeal against conviction at Northampton Crown Court (Judge Macgregor) of seven counts on charges of burglary and handling stolen goods. He had been sentenced to five years' imprisonment.

Lord Justice Lawton, giving a reserved judgment, said that a jury vetting is necessary if persons disqualified from acting as jurors are to be excluded from the Court of Appeal stated Vincent Mason, a dealer, for leave to appeal against conviction at Northampton Crown Court (Judge Macgregor) of seven counts on charges of burglary and handling stolen goods. He had been sentenced to five years' imprisonment.

They were called by the Crown to stand for a jury panel. The submission was that counsel had wrongly used the particulars of the case to suggest that members of the panel, not disqualified by their convictions from serving but whose names were called to stand for the jury, were disqualified by their convictions from serving but whose names were called to stand for the jury.

As a result of further inquiries following directions given by his Lordship it was discovered that at least one of three asked to stand by counsel was a convicted burglar. The Crown Court to form a jury panel. They had supplied particulars of convictions with particulars of convictions of the panel, not disqualified by their convictions from serving but whose names were called to stand for the jury.

In six cases, however, the convictions were not positively linked with members of the panel. There was nothing more than a similarity of names. Two positively linked persons were disqualified from serving on a jury for five years for burglary and the other had numerous findings of guilt as a juvenile for a variety of offences including theft, assault, and four years before the trial, when he was about 17, had been sent to a detention centre for six months for night offences of criminal damage.

The probabilities were that the member of the jury who was not disqualified but stood to stand by the Crown had been found guilty of a juvenile offence in 1974 for which he had been sent to a detention centre for six months for night offences of criminal damage.

Their Lordships found those facts sufficient to infer that the person who was disqualified from jury service was not disclosing that fact. The Crown had been found guilty of a juvenile offence in 1974 for which he had been sent to a detention centre for six months for night offences of criminal damage.

If two disqualified jurors could turn up in Northamptonshire out of 100 summoned, the number was likely to be much greater when a summons was issued to a rural urban area with a high level of crime.

The present case revealed how over-optimistic the Director of the Rolls had been when he said in *R v Sheffield Crown Court*, Ex parte Brown (1978) 1 WLR 822: "... as a matter of practical politics, even if jury vetting were allowed, the chances are 1,000 to one against any juror being found unsuitable; and, if he should be, the chances are 1,000 to one against his being found unsuitable."

It is being on any particular jury of 12, the chances of the results are minimal—especially in these days of majority verdicts."

But the Director had asked three jurors to stand by for the Crown, there might have been two disqualified jurors and one with findings of guilt for burglary and theft on the jury which tried the applicant. As a result of what he said, the members of the jury which was empanelled had no convictions. That, at least, was certain.

Mr Martin accepted that he had to satisfy the court that there had been a material irregularity in the course of the trial in accordance with section 16 of the Criminal Appeal Act 1968. He agreed that he could not rely on what had happened before the trial started.

As a matter of practical politics, even if jury vetting were allowed, the chances are 1,000 to one against any juror being found unsuitable; and, if he should be, the chances are 1,000 to one against his being found unsuitable."

The Court of Appeal, far from altering the law laid by section 21(3) confirmed it. For centuries the law had provided by enactment that disqualified persons should not serve as jurors and had left the judges and parties to criminal cases to decide which members of a jury panel were suitable to serve on a jury to try a particular case. To that extent the random selection of jurors had always been subject to qualification.

Defendants had long had rights to peremptory challenges and to challenges for cause. Prosecuting counsel for centuries had had the right to ask that a member of the panel should stand by for the

Crown and also to shoo-in his own juror. Trial judges, as to their duty to see that the jury was properly empanelled, were to ensure that the methods of jury vetting were not so strict as to exclude persons who were not qualified to sit on a jury. The practice of the Court of Appeal, however, was to sit on a jury. The panel was to sit on a jury. The panel was to sit on a jury.

His Lordship outlined the facts of the case. He said that in their Lordships' judgment, the Crown had a right to request a member of the jury panel to stand by for the Crown. The Crown had a right to request a member of the jury panel to stand by for the Crown. The Crown had a right to request a member of the jury panel to stand by for the Crown.

It followed that what prosecuting counsel did in the present case was not a breach of the rules of the panel should stand by for the Crown. The Crown had a right to request a member of the jury panel to stand by for the Crown. The Crown had a right to request a member of the jury panel to stand by for the Crown.

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When prosecuting counsel did not disclose the Crown's right to stand by for the Crown, they were doing so. Their Lordships would expect them to do so. The Crown had a right to request a member of the jury panel to stand by for the Crown. The Crown had a right to request a member of the jury panel to stand by for the Crown.

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Oil pollution of sea growing worse

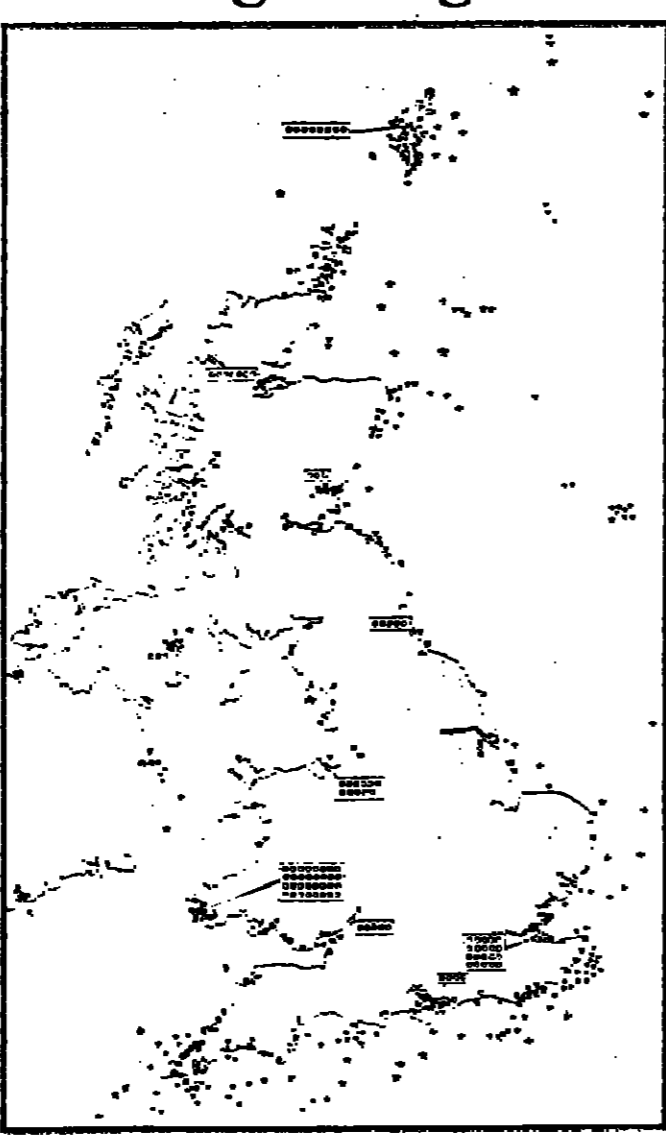
By Tony Samaras

The wreck of the tanker Amoco Cadiz off the coast of Brittany in March, 1978, caused what was then the world's largest oil spill, releasing 800,000 gallons of oil into the sea and polluting the shore. But the history of disasters has a way of repeating itself even as it repeats: two years later the tanker *Exxon* 1 hit oil off the coast of Mexico and finally shut off last March after ten months, having spilled 140m gallons toward the American coastline, the Caribbean and points north and east.

In its annual report for 1979, released today, the Advisory Committee on Oil Pollution of the Sea describes "a year of disasters" during which six major pollution incidents wrought havoc in different parts of the world. Oil pollution in the North Atlantic, the Mediterranean and around British waters alone, mainly from 368 "minor" oil spills, is thought to have cost almost £6m, an early estimate that is not necessarily complete and therefore almost certainly low.

Founded in 1952, the advisory committee is a voluntary watchdog group chaired by Lord Ritchie-Calder and funded by the European Commission, local authorities and private donors. The oil companies are included in its deliberations as observers.

In addition to the *Exxon* 1 blow-out, which has left a 10,000 square mile area of oil-polluted water, the main incidents catalogued by the committee are: the explosion of the tanker *Betelgeuse* in Bantrey Bay (51 people killed; probable cost about £45m); the loss of the *Andros* off Cape Finisterre (34 dead, 30,000 tons of crude oil released); the grounding of the *Antonia Gramsci* on the Baltic coast of the Soviet Union (5,500 tons of oil, polluting thousands of islands in the Stockholm and Åland groups with great loss of wildlife); the collision of the *Atlantic Empress* and *Aegean Captain* east of Tobago (26 dead and another 50,000 tons of crude oil in the Caribbean); and pollution of the Devon and Cornwall coasts by a relatively small amount of fuel oil from



Oil pollution incidents affecting the British Isles in 1979. Circles denote pollution in docks, ports and waterways.

an unknown source (at least 3,000 seabirds affected). The first three months of this year, the committee adds, almost as an afterthought, saw the loss of more than 100 lives in the *Alexander* Keilland disaster, two big tanker losses, the blow-out of a Nigerian oil

well and a leak in the North Sea Thistle pipeline. With a terrible momentum, the next annual report is virtually writing itself.

Annual Report 1979. Advisory Committee on Oil Pollution of the Sea, 410 Percy Street, London W1P 0DR. £1.30.

Indian Foreign Minister in 'mediation talks'

Moscow, June 3.—Mr Narasimha Rao, India's External Affairs Minister, is here today for a five-day official friendship visit, Tass reported.

He is scheduled to have two rounds of talks with Mr Andrei Gromyko, his Soviet opposite number, and according to Tass, the Indian Minister will figure prominently in the discussions. He met Mr Gromyko today.

India, which has called for withdrawal of Soviet troops from Afghanistan, would like to play a mediating role in the affair.

In reporting Mr Rao's arrival Tass called him a "good friend of the Soviet Union". Moscow newspapers have been listing the benefits of the 22 years of cooperation between the two countries.

Last month, Moscow granted a credit of 13,000m rupees (£70m) to India for the modernization of its forces, already two-thirds equipped with Soviet weapons.

Non-aligned India seems eager to preserve its good relations with Russia. Resumption of the Sino-Indian dialogue on normalizing relations between Peking and Delhi "will not be to the detriment of friendship with the Soviet Union", Indian diplomats have repeatedly said.

An unauthorized leading article in *Pravda* said NATO representatives at the Vienna talks were "striving to use the negotiations to achieve unilateral military advantages to the detriment of the legitimate interests of the security of socialist states."

The 19-Nation talks are still deadlocked after seven years of discussion on ways of reducing NATO and Warsaw Pact troop levels in Central Europe.

The newspaper said NATO proposals for an interim agreement under which 30,000 Soviet and 13,000 American troops would leave Central Europe were unsatisfactory.

It said NATO's preoccupation with the numerical strength of Soviet black forces and their belief that the Communist Alliance had a "considerable superiority" was a cover for their own "unpreparedness to work out mutually acceptable agreements."

British not optimistic over Afghanistan, Mr Hurd says

From David Wood

Paris, June 3

The British Government is not optimistic about the Soviet Union withdrawing its forces from Afghanistan in the near future in return for Western agreement to a neutral and non-aligned country, Mr Douglas Hurd, Minister of State at the Foreign Office, said here today.

Addressing the Western European Union assembly, Mr Hurd said the neutral proposal launched by Lord Carrington would involve guarantees of non-intervention by all states concerned. He added: "It would give the Soviet Union the opportunity to withdraw its forces from Afghanistan while avoiding any risks to Soviet or Afghan security. The Soviet Union seems intent on using force."

But, having under-estimated the extent of international opposition and internal resistance, the Russians already felt bound to pay lip service to the concept of a political solution. The percentage of the proposed force reduction was a minimum agreement that the Russians must withdraw.

The British Government's reaction to the violation of Afghanistan independence was intended to show the Soviet

leaders and the Soviet people "so far as we can reach their ears" that aggression would bring penalties.

"We believe that if the West had reacted more rigorously on Angola or the Cuban military move into Ethiopia with Soviet backing—if there had been a stancher response—the Soviet Union might have thought more carefully before invading Afghanistan," Mr Hurd said.

Britain believed in real deterrence. Lines of communication to the Russians should be kept open and the Soviet message should be ratified. But it would be unrealistic to look for new actions or developments after Helsinki which there had been a thorough examination of past performance.

"There is no such thing as a kind of Europe détente confined to the north of the 40th Parallel," he said.

Mr Hurd, the Minister responsible for Middle East affairs, appeared to give general support to Sir Frederic Bennet, head of the British delegation who led a two-day debate on the Middle East and Afghanistan.

Sir Frederic said Europe could not sit back and wait for the American presidential election before making some move to take the heat out of the Middle East.

NATO has called for larger Communist reductions in forces on the grounds that the Warsaw Pact has a 150,000-man ground force advantage in Central Europe. This has been denied by the Communist side.

The *Pravda* article accused Western negotiators of going back on already-agreed positions by dropping the question of armaments from their proposals, by losing sight of the fact that reductions had to be mutual, and by trying to extend reductions to a wider area of central Europe to include parts of the Soviet Union.—Reuter.



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en danced as
Monday night's
ance.

k played the
owning the
ook of frozen
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solo leading to
efflowering.
subject frankly
Béjart intro-
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he looked to
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whoever he was
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and exit from
as terrifying.
rather accounts
bird than the
med this per-
a newcomer,
made a strong
appearing - un-
the phoenix
concert suite,
shows the fire-
ding spirit of
his dying solo

Is

shank
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e dance which
for the enchan-
where they
applies to each
seemed to me
est moments in
us as pretty in
uch Mrinalini
for Padmavati
ids as the four
golden ball one
of this ballet,
om, also show-
ed by Mallika

major melody in the Council
Chamber ensemble (Milnes also
knocked at the heart with "E
vo pridan amor"), though she
looked far less than her best.
Nor did Veriano Lucchetti,
reliable tenor as ever, cut a
heroic figure as Gabriele. The
Paolo of Jonathan Summers, on
the other hand, was powerfully
and consistently characterized,
and admirably sung.
Was Covent Garden justified
in abandoning Salimbeni's set-
tings and costumes in these
financially unfavour-
able times, even after 15
years but not many perform-
ances? Though not ideal, they
gave more pleasure than the
drab new designs by Filippo
Sanjust which replace them, a
badly ironed and folded table-
cloth doing duty for the sea,
bald slabs of wall, like sand-
castles writ large, feeble cos-
tumes (too much white against
pale scenery), feebly lit as
though to remind us of produc-
tions 40 years ago.

Was this the Sanjust who
designed Covent Garden's *Don
Carlos* and *Il trovatore* long



Sherrill Milnes, Kiri te Kanawa Photograph by Zoë Dominie

tract nomenclature, Carter has
called the piece *Night Fan-
tasia*, which may be regarded
as an unfortunate title, particu-
larly in view of the music's
characteristic gesture of ur-
gently whisking up flurries of
notes at the top end of the key-
board. These fantasies, however,
are quite pure, shaped on a
powerful harmonic and rhythmic
scheme which maintains the
wrestling, restless turmoil
of images through a continuous
movement of 22 minutes.
As so often in Carter's music,

the surface is packed with
precisely-figured detail, while
underneath there is a heaving,
organic feel, and this makes for
formidable difficulty of execu-
tion. Indeed, the work seems to
have been intended as some-
thing of a challenge to the four
pianists who commissioned it,
besides being a group portrait.
Ursula Oppens, who had the
honour and responsibility of this
first performance, made it a
tour de force, while also dis-
closing the fundamental
simplicity of Carter's thought.



Jorge Donn as Petruska

and the group's affectionate
round dance are highlights
which still work their full
effect.
Béjart can never resist add-
ing his own gloss to a familiar
subject. In the ballets already
discussed, that works well,
but his rejigging of *Petrushka*
is just too clever by half.
Ingenious play with masks let
the leading man find all the
characters, *Petrushka*, *Doll*, and
Blackamoor, within himself, but
the ingenuity brings no real in-
sight into the drama or the
music.
What this *Petrushka* does
offer is a role with immense
scope for a male dancer of
virtuosity, stamina and expres-
siveness. It was made for

Vladimir Vassiliev, a guest
from Brussels on his stupend-
ous performance when the
ballet was new. Jorge Donn
does not entirely match that,
but still makes a lot of the role
on his own terms, revealing
decency and humour to con-
temper the virile power
already familiar to audiences.
Also outstanding is Rita
Peeboorde as the girl he loves
but leaves; she has grown into
a dancer of exceptional grace
and drama. One of Béjart's
most valuable gifts is that of
finding and developing talent;
the company has reserves of
strength at all levels and is
never less than exciting to
watch.

Sarabhai, with her friends, but
here she entertains them by
drawing a huge stylized picture
of a peacock with her bare feet.
All through the ballet, which
describes Padmavati's longing
for her husband, Vishnu, she
whose movements echo or con-
trast with her own dances.
This is the most traditional
item on the programme. For the
other two ballets Mrinalini
Sarabhai has used classical
Indian dance technique in
more contemporary fashion.
Meera, which is based on poems
by a princess of that name,
shows her struggle to reconcile
her spiritual and her worldly
self, a theme familiar to any
follower of modern dance. The

two sides of Meera's nature are
danced by Mrinalini Sarabhai
and Mallika Sarabhai who are,
as their names imply, mother
and daughter.
They assume their real life
relationship for the final work
which is about an Untouchable
girl and her reaction to kind-
ness from a wandering monk.
But the ending to this piece is
not totally happy. Blind pre-
judice still exists despite good
example.
The programme is nicely con-
trasted, costumes appropriately
gorgeous and the dancers both
attractive and accomplished.
The company is playing at Sad-
ler's Wells until June 14 with
two programmes. An enjoyable
evening, well worth a visit.

Sir Peter Hall takes a thoughtful breather

For the first summer in 20
years Sir Peter Hall is in
rehearsal, not even at Glynde-
bourne, the house he has taken
to using as a late spring retreat
from the administrative cares
of the National Theatre. He
was there, to be sure, at the
opening night of Mozart's *Die
Entführung*, but simply to
watch the work of his colleague
at the National, Peter Wood. He
will be back in Sussex next
season to direct Britten's *A
Midsummer Night's Dream*,
with Ileana Cotrubas in the
cast. Presumably this respite
was deliberately planned?

"Yes, I thought it was time
that I took a six months' sub-
stantial, if that's the correct
word, from directing. It was
the right moment too for a
look at the structure of our
companies here at the National,
so this summer is to be spent
administratively rather than
producing.

"I determined, for instance,
that we should do far more
touring than we've achieved so
far. I hope we will be able to
take *Othello* to Brussels in the
autumn. We're talking also of
a trip to Australia and then on
to Los Angeles, but that's some-
way off and the repertory has
not yet been fixed. But just as
important is the ability to
move around this country,
although we're making a start
by opening the new production
of Lillian Hellman's *Watch
on the Rhine* at the Edinburgh
Festival.

"Practically all the touring so
far, which amounts to about 19
weeks a year, has been done from
the Lyttelton company. This is
one reason why I am restructuring
the repertory into two main
groups, one under Bill Bryden
and the other under myself, so
that we can get them out of
London next year. It will also
mean that we can open up the
European repertory much more,
both in the Olivier and in the
Cottesloe. The repertory, for
instance, is adopting a Nestroy
play for us, which will be
directed by Peter Wood with
Simon Callow in the lead.
Molière, Marivaux and Kaiser
are all on the cards and some
of these plays will go into the
Cottesloe.

Even so, there is criticism
that the repertory in the two
bigger houses is too safe and
too commercial.

"That criticism will always
exist. This week we have
opened Alan Ayckbourn's
Sisterly Feelings, the first play

with a totally contemporary set-
ting which we've given in the
Olivier. I think it's very funny,
but the left wing are sure to
complain that we are being too
commercial. Next month sees
the new Howard Brenton which
will undoubtedly bring disap-
proval from the right wing. If
the cry of complaint on each
occasion is of roughly equal
volume then we will know that
we are just about on target.

"What gives me pleasure is
that we are now in a position
to put on far more new plays—
five in the current four months
—than we were a couple of
years ago. And at the moment
the new plays are the hardest
to get into. *Amadeus* and *Early
Days* have been the box-office
successes of the year so far."

Book review— The Changing British Party System, 1945-79

By S. E. Finer

American Enterprise Institute
for Public Policy Research,
£3.75

Peepologists are not the most
popular men in Smith Square.
At more or less the moment
that the party headquarters
discovered their existence, in
the 1960's, and began to invest
in market research and other
studies of electoral behaviour,
the message from the political
battleground for the hearts and
minds of British voters turned
grim.

For Conservatives, the prob-
lem was summed up in the
phrase "Apathy, Death, and the
Working-Class", which was
coined by the long-serving
party strategist, Lord Fraser of
Kilmorack. The evidence from
ORC, MORI and all the aca-
demic undertakers suggested
that Conservative supporters
were older than those of the
Labour Party, that as the
Great Reaper took his toll
they were not being re-
placed in adequate numbers by
younger voters, and that the
party's working-class base (or
what electoral victory would
always depend) had shrunk
alarmingly. All these problems
were doubted in trumps in

Scotland and the industrial
north.
But the grass did not seem
very much greener for "the
Peoples' Party" on the other
side of the hill. According to
the research, there was a wide-
spread feeling that the policies
officially adopted by the Lab-
our Party and what their sup-
porters actually wanted them
to do. As moribund constitu-
ency organizations were taken
over by small groups of enthu-
siasts, the Left's growing influ-
ence dragged policy even further
away from the aspirations of
traditional party supporters.

Professor Finer assembles all
this bad news for Labour and
Conservative politicians—and
much more besides—in the first
part of his interesting and
important survey of our party
system in the post-war years.
He notes how rapidly enthu-
siasm for the party duopoly
changed in the decade from
the mid-1960's to the mid-1970's,
and in a footnote cites as one
example of this the difference
between Sir Ian Gilmour's en-
comium of the two party system
in *The Body Politic* (published
in 1969) and his somewhat
more restrained views on the
same subject in *Inside Right*
(published almost 10 years
later).

Professor Finer gives the
whole show a brutal "rumbust-
ious" down. "At the level of the

electorate", he writes, "the
two major parties form an ever-
diminishing and insignificant
fraction of the public. They are
supported by fewer and fewer
voters. At the same time they
frame policies that are more
ambitious than before, more
mutually exclusive than before,
though often remote from
public demands, and less cap-
able of being executed than
before. The two major
parties and the two-party
system are more mistrusted,
more unpopular and more con-
demned than a decade ago, and
probably more than in 1945."

That verdict looks rather
more convincing if one ignores
the last election. Conservatives
can perhaps be forgiven for
declining to do so. Mrs Thatcher's
spectacular victory sug-
gested that obstinists of the
Conservative Party were a
shade premature, though the
Labour Party's disastrous
defeat, in which their share of
the vote fell to its lowest level
since 1931, gives little support
to those who criticize Professor
Finer from the Left.

The interesting question,
then, is whether 1979 was a
hiccup or whether, at least for
Conservatives, the long-term
trends have been reversed.
Some commentators would con-
tend that the Conservatives'
General Election victory was
favoured by some of those who
traded union uprising in 1975
rather than of any more funda-

mental shift in political com-
mitment. We shall see soon
enough.

Professor Finer is surely
right to argue that much else
hangs on the present Conserva-
tive Government's success or
failure. Success would suggest,
to answer one of the questions
posed in Sir Ian Gilmour's last
book, that our constitutional
and party system is not too
high a form of political
development for us to operate
in the 1980's. Failure would
catastrophically some of Professor
Finer's proposed changes to the
top of the political agenda. He
would like to see the intro-
duction of primaries, electoral
reform (preferably along
German lines) and the wider
use of referendums. Together
these changes would, he believes,
restore political
choice to the electorate and,
presumably, help to restore our
economic fortunes by establish-
ing a broader base of consent
for policies in tune with the
ambitions and anxieties of the
majority of electors.

The reason why consent is
so important is that the policies
necessary to heal a relative
national decline and to prevent
it becoming absolute, are un-
likely to be comfortable
whether they are introduced by
this government or by the
salaamard Centre government
favoured by some of those who
will read Professor Finer's
book with the greatest pleasure.

totally different matters. It's
true that many of us com-
plained in private: after all
there were certain people in
the Government who would
have been happy to see us dis-
membered and that dismember-
ment has been postponed. But
I do feel that some arts admini-
strators complain and wring
their hands in woe far too
much.

The National Theatre alone
among the major state-subsid-
ized houses has set its face
against commercial sponsorship.
Why so, when others have been
courting industry?
It's not true to say that
we're against commercial sup-
port of the contrary. We're
always looking for people or
firms to fund fringe activities:
children's theatre, lectures,
exhibitions, foyer music...
But I have never believed that
we should be dependent on
commercial sponsorship, which
after all is non-recurring, par-
ticularly before we got our base
grant right. The National The-
atre is a commitment by the
nation, therefore I would think
it quite wrong for us to have a
sponsored *Hamlet* in either of
the two big houses. But if
someone came along with the
money for a workshop *Hamlet*
then that would be a totally dif-
ferent matter.

Alternatively, if someone
would be prepared to finance
an audience survey, then I'd be
overjoyed. We know certain
things about ourselves that
we're not a tourist theatre, for
instance. Less than 15 per cent
of our audience comes from
abroad. We have a faithful nu-
cleus which makes up its mind
very quickly what it likes and
what it does not, and then
passes on its findings very swiftly.
But there are very many ele-
ments in the make-up of the
people out there in the audi-
torium about which we are to-
tally ignorant.

Outside London, Peter Hall
is to direct opera at Glynde-
bourne for each of the next few
seasons. He is also engaged at
the Met in New York for *Mac-
beth* (conducted by James Le-
vine, with Sherrill Milnes and
Renata Scotta) and later *Simon
Boccanegra*. But what about the
long promised *Orchestra* at the
National? Has this been affect-
ed by the RSC's staging of *The
 Greeks* earlier this year? The
light of competition shines
briefly in Peter Hall's eyes.
"I'm going to do it towards the
end of '81. Yes, I am... and to
hell with it."

John Higgins

Much Ado About Nothing

Regent's Park

Ned Chaillet

Blankets are always available
if it turns chill and a retreat
to the mulled wine is in order
if there are showers but such
minor threats should do little
to deter audiences from a
pleasant evening in an English
garden where poetry, love and
foul deeds are always on offer.
Of course, *Much Ado About
Nothing* used to be set in
Messina, or so the characters
keep saying, but David Con-
ville's production uses the
shrub and grassy stage of the
Open Air Theatre to make a
very convincing setting for the
play and its more likely
third world sights.

Like Peter James's produc-
tion in Sheffield last year, this
version is bounced into the
twentieth century as well as
into England and most of the
romantic young gentlemen are
still in uniform at the end of
the First World War. It
accounts for the general dis-
dain for the wicked Don John,
the illegitimate brother of the
heroic Don Pedro. With sup-
reme bad taste he continues
to wear his German uniform
while he plots to impugn the

modesty of Hero, the young
daughter of his host who is
about to be married.

That plot is as at home in
a post-Shakespeare world of
gazeboes and gramophones, tan-
goes and fancy dress, as it could
have been in Messina, and the
bitter taste of Claudio's blithe
cruelty when he suspects her of
unchastity cuts through the
laughter. The quality of comedy
is better shown in the romantic
sparring of the two determined
celibates, Benedick and Bea-
trice, whose capitulation to love
is delightfully convincing in the
performance by Gary Raymond
and Annabel Leventon.

Mr Raymond, particularly is
admirable in his transformation
from bearded bachelor to
devoted lover and Miss Leventon
stirs up some slapstick
laughs with her attempts to
laugh at the unloving while her
cousins discuss Benedick's sup-
posed love for her.

There is also the imposing
Bernard Bresslaw as Dogberry,
the constable with a vague grasp
of the English language, and his
presence gives a dignity to
some of Shakespeare's poorer
jokes. Dignity is the quality
which James Cargross brings to
Leonato, the father of Hero,
but he turns that to good comic
effect when called on to dis-
semble. It is a rewarding pro-
duction, tailored for the open
air.

Composers combine in a musical curiosity

Three composers, Richard Ar-
nell, Michael Berkeley and
John Lambert, are among those
playing toy instruments in a
rare British performance of
the Cassation in G by Leopold
Mozart, at St John's, Smith
Square, on Saturday.
The well-known *Toy Symphony*,
often attributed to Haydn, is
a simplified and much reduced
version of the Cassation. The
concert, given by the Young
Musicians' Symphony Orches-
tra conducted by James Blair,
also includes another compar-

LSO/Böhm Festival Hall

Stanley Sadie

Over the years, the LSO has
often tended to prefer the
bright young sparks among
conductors, those whose ro-
sary gymnastics draw from an
orchestra performances of
crackling energy and precision.
I doubt whether anyone listen-
ing blindfold to the New World
Symphony on Monday would
have been aware that this time
they were under an 85-year-old
who exercised control with a
barely moving baton and (I
presume) an alert pair of eyes.
I am referring, of course, to
the orchestra's president of
honour, Karl Böhm. He offered,
understandably, a short pro-
gramme: just the New World
and Beethoven's fourth sym-

phony. The Beethoven, which
came first, had a more ordinary
reading, careful and well-
formed, but without any
marked characterisation of its
ideas: one could be forgiven
for thinking it a little weary.

The slow introduction was
dense and subdued, with little
sense of leading anywhere; the
main *Allergo*, weakened by the
absence of the repeat so im-
portant to its proportions, was
plain and sturdy, with little of
grace or mystery. The slightly
held back tempo for the second
subject introduced a hint of
pastoral piping, but Dr Böhm
did not take his own hint and
treat the slow movement as
skin to the Pastoral Symphony
(which it is), preferring more
austerity. And fire, vivacity
and drama were played down,
if played at all, in the scherzo
and the finale.

So the strong, intense shap-
ing of the opening of the
Dvořák, and the brooding dyna-

mism later in the introduction,
were doubly welcome: so was
his powerful rhythm for the
main *Allergo*. There was plenty
of blazing brass, the LSO horn
especially, confident and full-
toned, distinguished them-
selves, much clearly marked
inner detail, and a generous
lyricism—not quite that easy,
relaxed lyricism that native
Czechs (and they alone) pro-
vide, but suffused with Austrian
warmth.

The LSO produce of their
best for their president. The
English horn solo was heard
fully done; later in the Largo
there was more of poised, re-
fined woodwind playing. The
cellos drew their big tune in the
finale with due eloquence. Dr
Böhm directed that movement
spaciously, but with a sense of
its drama, too, and a sense of
where it was going: no classical
restraints here, but something
to show that at 85 full-blooded
romanticism can still subside.

Innes Book of Records BBC 2

Joan Bakewell

Switching on early, all unknow-
ing, I search the family group
faces for that tall-tale glance of
eye that identifies the elusive
Neil Innes. No luck. The Wel-
tons were still facing up to
Pearl Harbour. Surely Innes
would have mocked their sym-
phony sentimentality with some
neat and bitter ditty. Doesn't
humour, after all, have to have
a target, even if its only our
own weakness and anxieties?
Then up came the real Innes
and I realized he is probably
incapable of being so cruel. He
defies all theories of humour
that require a victim for the
joke, that demand the experi-

ence be cathartic, dependent on
the wound, the human skin. In-
nes scarcely raised the explo-
sive, vicious laugh. He scarcely
raises a laugh. He almost dis-
dains to be so obvious. Instead
he creates a warm and gentle
glow of pleasure, prompting a
smile that has its origins where
the heart has its cockles.
The series promises some 30
songs in all. And, of course, one
wanted more than just the
half dozen that we had in the
first part. Indeed it seemed so
leisurely paced and easy going
that the credits were racing
past before the mood had really
taken hold. At the risk of put-
ting him under even greater
strain—and each song was
almost too long—I think each
of the programmes should be
longer. We could happily take
more of the oddball activities
in the environs of Buxton: the

counter-marching Howden Hus-
sars, and the gloriously dotty
Marcel Steiner. They each rein-
force rather than detract from
Innes own surreal way of seeing
things.
If the format is cosy and
convenient, small, in nursery
den finds old photos which
animate into a series of songs—
it offers a secure framework
for the delicacy of his parodies,
safe from the more extravagant
earlier fantasies of his pro-
ducers.

The delight of songs like
"Cafeteria Fantasy", "Reflec-
tions in a Spoon", and "When
a Cabinet Minister Resigns" is
like the eating of artichokes
... a lot of trouble to go
through, a small and delicate
flavour as a reward. But the
really odd thing is that any-
one ever thought of it at all.

Power must be restored to Santo Government

Port Villa, if necessary, to Minto. I have been in a rescue operation and have been down this insurance promptly.

Mr Blaker— I do not believe further action is required at this time to constitute the rescue operation. On the use of force, I have nothing further to add, and I have already said.

Mr Patrick Cormack (South West Staffordshire)— I do not reverse the decision of the Opposition who entertain the use of force only when the enemy are armed with bows and arrows? (Conservative)— Yes, laughter and noise.

Mr Blaker— I have noted the interest in the new development of the part of the Opposition in calling for the use of force. I would not want the House to be misled by the House of Commons as to bows and arrows as the only weapons with which the rebels are armed. They are armed with other weapons as well. I would want the House to assume that bows and arrows are actual weapons.

Mr John Rigg-Davies (Epping Forest, C)— How many people have been evacuated from Santo Domingo and how are the rebels being looked after?

Mr Blaker— A total of 1,400 people have been evacuated from Santo Domingo. Among them 104 of them are New Zealand origin, including 21 British subjects. To our knowledge there are a few left, including one British woman, who is to remain. They are looked after under emergency arrangements and I have no reports of difficulties on that score.

Minister rules out extra tax this year on windfall profits of banks

If the profit was adjusted for inflation the picture was different and on a current cost basis, profits in 1974 were 10% higher. Increase of their profit was substantially less than it had been in the three previous years, with about 10% in 1973. That year they came to power in 1974, did not see fit to impose a special tax on bank profits.

The cyclical nature of bank profits must not be overlooked and in 1974, the profits of the cleaners were not as large as appeared at first sight.

Part of the profits no doubt represented a windfall element of banks arising from the fact that interest was not paid on current accounts and they could employ that profit for greater profit.

That profit was due to the enterprise or efficiency, because on the other hand, it was not because of exploitation. It was merely adventitious.

In part it reflected the cyclical nature of their business: when interest rates were high, profits were high and he did not shirk Mr. Mervin's point that the inflation interest rates could remain high.

There could be a case for a special tax on the windfall element of the profits, but other examples of windfalls and the complications of legislation. The prime use of the cleaners had made of those profits had been to strengthen the reserves and a sound banking system is essential to a healthy economy.

Be accepted that in principle, there could be a case for special taxation of that part of bank profits resulting from high interest rates.

There was an element of question-mongering in the cleaners' position, but their profit was not so high, when they were in opposition. The Government's policies were directed to cutting inflation and the Government borrowing and thus the cleaners' profits were not so high as the date case of existing high profits.

Hospitals in London

THE TIMES

Over 74%
of Times readers
purchase wines and
spirits for home
consumption.

**By-pass work
may be halted
by swan's nest**

Work on a new £2.4m by-pass at Beccles, Suffolk, may have to be stopped in the near west because a mute swan's nest con-

Return to simple life urged

marshland, failed to ruffle the feathers of the swan, but anyone approaching too closely is worried off by the jealous male swan.

Road building engineers were yesterday trying to find a solution to the problem of the swan by law and the work may have to wait for a while as they hatch. That normally takes 25 days.

Mr. Ian Southard, the county council engineer in charge of the project, said: "The problem is that we don't know how long the swan has been sitting on the eggs and it is impossible to tell if the still has a long time to go".

**Jewelry stolen from
Carisbrooke Castle**

A pile of high police were yesterday told of a gang that stole jewelry priceless to the crown from the kings of England from the museum of Carisbrooke Castle.

One is a gold ring which Charles the first gave to his daughter at the time of a wedding. Another is a gold ring which was the property of King James II; and a diamond locket, a combination of a lock and a key.

anto Gov

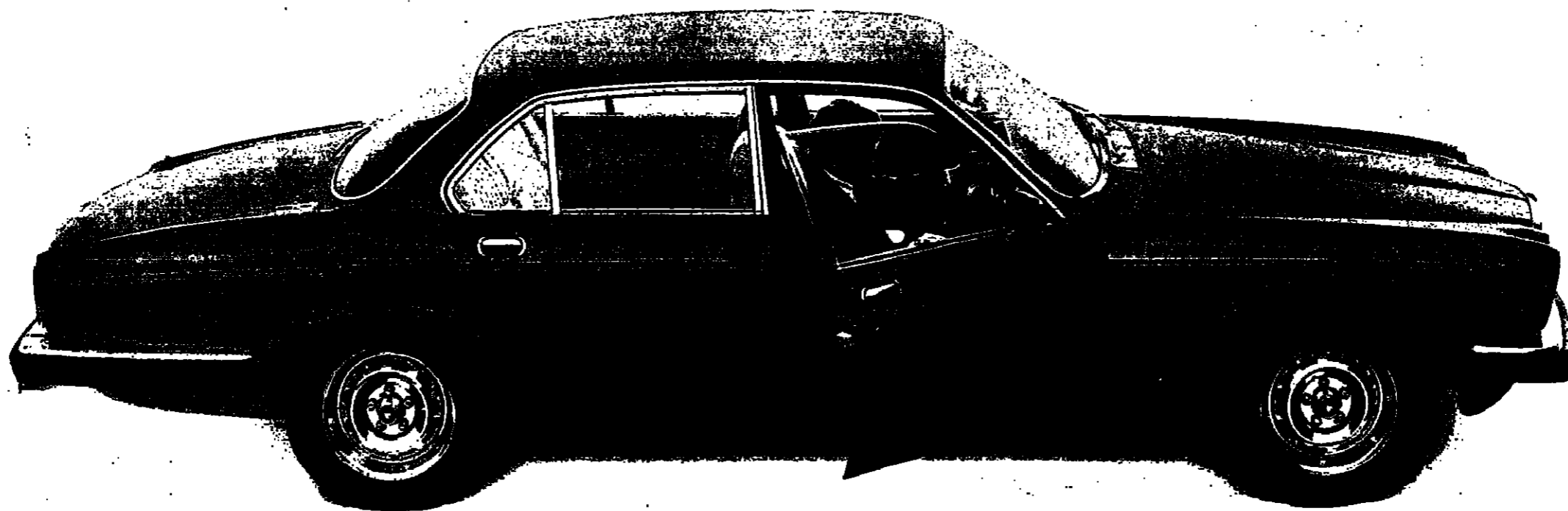
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fall profits

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The smoothness shared only by Lamborghini and Ferrari, of the unbeatable V12 engine configuration.

The colossal performance which enables you, should you so wish, to quietly sprint to a hundred miles an hour and back to rest again in around twenty five seconds, or calmly amble along at the legal limit on less than half throttle.

The prodigious capability of the suspension geometry. The stopping power of the ventilated disc brakes, which was unsurpassed in Motor magazine's recent review of competitive braking from speed abilities.

Yet it is because of all this attention to driving needs rather than despite it, that this Jaguar is, above all, engineered to be the world's quietest car.* So reflect on this:

It will never occur to the short-sighted that owning a Jaguar XJ12 could be a positive aid to business.

But if you think about it, in today's frenetic environment, perhaps there's never been a better time.

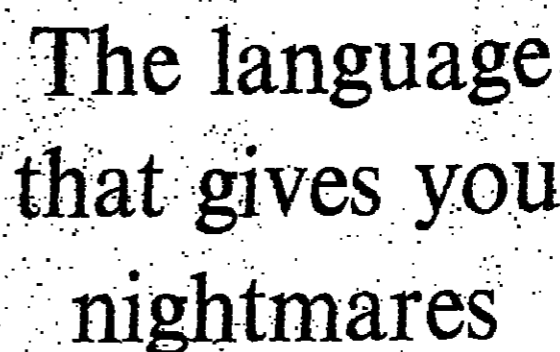
*Motor Magazine Jan. 26, 1980.



JAGUAR XJ12

It's a good time to go for the best.

The MX missile: where to put it and how to hide it—is the American problem. Finding the answer has become a kind of game



Alan Hamilton



EN SHOULD MR CALLAGHAN GO?

Benn's attack on Mr. Callaghan's question of Party leadership is a focus. Until recently, it was widely assumed that Mr. Callaghan would retire at the end of the next parliamentary session in November. But over constitutional issues the party would be settled at the annual conference in October and the clear for a new leader in the next election. But special conference last Mr Callaghan did not a man who was pre-empted over to anyone, vigorously still vigorous, aged 68 and it is to suppose that the on will not be held for three years or more. I mean that if Labour win and he were to Prime Minister for two years—and it no use his proposing ice again for less than could be at least 73 by retired. That is not able age for a person office, but it is an e. Only in exceptional cases would it be right to take a decision now that long.

electoral defeat, both because his insistence on an excessively rigid incomes policy provoked the disastrous explosion from the unions and because he is considered to have mistimed the date of the election. Moreover, he is essentially a managerial figure who is at his best in implementing policy rather than in developing ideas.

So far as a successor is concerned, there is a plethora of possibilities and one outstanding candidate, Mr Denis Healey—though his faults are notable as well as his virtues—has considerable experience of high office, great force both of intellect and of personality, and the toughness necessary to lead a party with so many conflicting tendencies. If a new leader is chosen anytime this year by the existing electoral system—that is by the choice of the parliamentary party—Mr Healey will in all probability be selected.

The longer it is left the more uncertain the outcome will be. Mr Healey will be 63 later this year; and the call might well become more insistent as the election approaches for a leader of the next generation. That is not in itself a particularly good argument. If Labour won the election Mr Healey could hope to serve almost a full term as Prime Minister by the time he was 70. But he has been around a long time in high politics and the party might come to hanker for a fresher face if Mr Callaghan were to postpone his departure for long. If in doing so he deprived the most appropriate candidate of the succession that would be unforgivable.

There are those who argue that while Mr Healey would be the best person to lead Labour

into the next election, and to be Prime Minister if the party wins, he would be at risk if he were to be Leader of the Opposition for long. In that post his tactical clumsiness and his capacity to cause offence might be more evident than his strengths. He has always been less impressive in opposition than in office. Therefore, it is suggested it would be better for Mr Callaghan to continue for a little longer and hand over in time for his successor to have a year to eighteen months in the job before the election.

There are several objections to this reasoning. If Mr Callaghan were to stay on for a while without intending to fight the election, the party would have a lame duck leader at a time when it needed someone of authority to guide it through the delicate process of policy-making. That process would be debilitated by the continued manoeuvring over the succession. The new leader might find when he took over that he was saddled with unwelcome policy commitments. And Mr Healey might then not get the job anyway.

The one circumstance in which Mr Callaghan would be right not to retire would be if the party conference in October were to vote in favour of changing the method of electing the leader. To elect a new leader then by the old method would be a cause of continuing bitterness and be bound to deny proper authority to whoever was chosen. But if the conference confirms the present electoral system it would be best for Mr Callaghan to go in November.

MURDEROUS OPPRESSION OF THE KURDS

of last week, when eisky, Gonzalez and re in Tehran, an item was published by Democratic Party of), urging them to ask authorities "to put the massacre, the and the economic Kurdistan". The ed that nearly 2,000 been killed in the naudaj alone. "For a month", it said, sh towns have been to an economic and the population ood and medicines." the three delegates list International, it he hope "that the illion Kurds will not importance in their hat of the American

smaller communities in Syria and Soviet Armenia. In Turkey a series of revolts between the war part religious, part tribal, part nationalist, were ruthlessly suppressed. In Iran a Kurdish republic was proclaimed at Mahabad in 1946 but lasted less than a year. In Iraq the long struggle for autonomy led by Mullah Mustafa Barzani ended in defeat in 1975, when the Shah of Iran withdrew his support and the Kurds had to make do with a nominal autonomy under the iron rule of the Arab Baath Party.

The Iranian revolution seemed to bring new hope. The Kurds took an active part in it, mainly under the leadership of the KDPI, whose programme called for an autonomous Kurdistan in a democratic, federal Iran. When the monarchy fell the Kurds established a *de facto* autonomy and asked the new Iranian authorities to recognize it. But Imam Khomeini refused. Persian-speaking revolutionary guards made a series of ill-coordinated attacks on Kurdish centres, culminating last August in an all-out military offensive. The Kurds withdrew into the mountains, where the disorganized Iranian armed forces were no match for their guerrilla tactics.

In November the army withdrew, the Imam publicly begged the Kurds' pardon, and negotiations between them and the government began. But unhappily they have got nowhere. Islamic rigidity has combined with Persian chauvinism to reject the idea of autonomy and insist on a military solution. President Bani-Sadr, who was at first prepared to negotiate on the basis of the Kurdish de-

mands, has now decided (apparently on orders from the Imam) to make the restoration of "order" in Kurdistan the test of his authority, announcing that he will not allow "the smallest fraction of Iranian territory to escape the state's control" as though there was a state in the rest of Iran and he was in effective control of it. To do this he has again launched the armed forces into a civil war which they are very ill-equipped to win. Not surprisingly there have been many reports of desertions.

The Iranian revolution has enough enemies on its hands without picking this bad quarrel against people who were ready to be its friends. The leader of the KDPI, Mr Abdulrahman Qasemlou, wrote these words shortly before the revolution, in a useful book on the Kurds now available in English: "Defeat piled upon defeat have given rise to a legend which says that the Kurds have no friends. The truth is that the Kurds have many friends but to find them they must seek them out, especially in the country they live in." In a letter published in *Le Monde* last week Mr Qasemlou again stressed that his movement "does not want to overthrow the Khomeini regime but to obtain the legitimate rights of the Kurdish people within the framework of that regime, which has to be democratized and within which not everything is yet finally settled". Brave words of hope. Why are those in power in Tehran so determined to prove them wrong?

**People without a Country: the Kurds and Kurdistan, edited by Gérard Chaliand, (Zed Press, £14.95/\$35.95.)*

WHAT PARLIAMENT PROVIDED

a Court of Appeal er by Lord Denning he practice of jury questioned its legal and Denning himself was unconstitutional. Another Court of Appeal Justice Lawton, not only found such gal, but expressed the practice. Even allowances for the texts of the two was a civil appeal the right of a judge order allowing vetting lace, the other an ust a criminal convic- lace was put forward d for quashing the the impact of the two annor do otherwise an already confused law even more diffi- travel. It has now nial and urgent that clarified, and it is to that the Attorney niment statement on g will achieve that

jury. It is reasonable that the police should be entitled to check that potential jurors are not in fact so disqualified. In doing that, they are merely ensuring that the law is obeyed. The Court of Appeal, however, went further, by approving the practice of the police supplying the prosecution with particulars of all jury panelists who had previous convictions, including those which did not disqualify them from jury service. Counsel for the prosecution, not unnaturally, challenged all those with convictions, thus ensuring a totally pure jury.

If Parliament had wanted all people with criminal records to be excluded from jury service, it could so have provided. It did not do so, laying down instead a test based on the seriousness of the crime, and the length of time that had elapsed since the conviction. The effect of the Court of Appeal's judgment yesterday is likely to negate the wishes of Parliament. It would allow the fact of all previous convictions to come to the notice of prosecuting counsel, with the inevitable result that many jurors whom Parliament did not feel it appropriate to exclude from participation will in fact be asked to stand down. The hope expressed that information of

previous convictions will only be used to exclude jurors who should not be sitting on a particular case relevant to his previous record, and not as a general means of removing everyone who has offended in the past, is unlikely to be fulfilled in practice.

Lord Justice Lawton found it "an affront to justice" that someone with previous convictions for poaching should sit on a jury trying a poacher accused of wounding a gamekeeper. It is more an affront to justice that jurors should be vetted as a matter of course for reasons other than to ascertain whether they come within the disqualified categories. Even if, occasionally, the vagaries of random selection throw up a coincidence of the kind referred to by Lord Justice Lawton, it does not follow that injustice will result, especially under a system which allows majority decisions. There are, already, many necessary qualifications to the principle of randomness in choosing juries. The latest one, now given respectability by the Court of Appeal, is unnecessary and, in effect, contrary to what Parliament intended. It does not seem right that all previous convictions should disqualify for jury service for ever.

Pay in the public sector

From the General Secretary of Nalgo

Sir, The recent pronouncements on public sector pay by the Prime Minister and her colleagues are at best naive and at worst mendacious. It is utter nonsense to attribute the doubling of inflation since the election to wage increases. The bulk of the rise is directly due to Government policies, in particular the VAT increase, higher charges by nationalised industries and high interest rates. How the Government considered that its controls on the money supply would overcome the effect of these policies escapes me, but it is dishonest to blame the failure so far of their strategy for understandable attempts by workers to maintain their living standards.

It is equally dishonest to imply that comparability awards to employees in the public services somehow place them in a privileged position. As the Government has admitted, these awards are catching up exercises and in fact demonstrate how far the pay of public servants has fallen behind that of their counterparts in the private sector. Respectably government of both political persuasions have traditionally sought to impose wage restraint on employees in the public sector, openly or by stealth. This latest declaration that members of Nalgo and other public-service unions are to be treated as second-class citizens has a familiar ring and will be resisted as fiercely as it has been in the past.

It is not just our members who are under attack. A central plank of government policy is clearly that the living standards of all but the very rich must be drastically reduced on the mistaken assumption that savage deflation will cure our economic ills. To this end the rights of trade unionists to organize are to be curtailed by law, unemployment is being increased, while unemployment and sickness benefits are to be cut, and the social wage provided by the "welfare" state is to be virtually eliminated.

At Nalgo's conference next week I anticipate that representatives of three-quarters of a million of our members throughout the public services will give a massive thumbs-down to these insane and unjust policies.

Yours faithfully,
GEOFFREY DRAIN,
National and Local Government Officers' Association,
1 Mabledon Place, WC1.

Not so with the parole system. That Mr Richardson should have made application for parole no fewer than seven times and been refused on each occasion outrages enough. What is worse is that he denied the right of audience, denied advocacy, denied reasons for failure, denied even the knowledge of the criteria by which his application was judged, the system of appeals before whom even the most apparently understanding and vile of criminals is entitled to the benefit of advocacy in mitigation of sentence.

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New Hebrides troubles

From Lord Erleigh

Sir, Having read last month from *Vibe* the New Hebrides, it is interesting to note that the roots of the problems confronting Premier Walter Lini's government have escaped the media's attention. An Anglo-French condominium creates a number of conflicting interests, not least among them the inter-governmental disagreement on the differing interpretations of a new constitution drafted in two languages. The islanders are consequently faced with appalling legal complexities born of a desire from London to wrap the issue of a burr-scarred middle which effectively smokescreens any chance of a diplomatic blow to either of the foreign powers' overseas prestige.

Into this legal maze, which seriously prejudices the likelihood of achieving independence on July 31, the *Phoenix* has thrown an opportunistic taking advantage of the situation by offering to create for its elitist white membership a Utopian existence as *Esprit* *Sensu* with the nation's role reduced to servility. May I urge, through your columns, the joint consideration of that regime, which has to be democratized and within which not everything is yet finally settled. Brave words of hope. Why are those in power in Tehran so determined to prove them wrong?

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The PLO and Israel

From Mr Greville Janner, QC, MP for Leicester, West (Labour)

Sir, Mr Denis Walters is right (article May 25) that "the Palestine Liberation Organization is the only effective representative of the Palestinian people", then that is only because it has not yet been recognized by the United States and other major powers. Which is yet another reason for not accepting Mr Walters's kind invitation "to engage in serious discussion" with Mr Arafat.

If Mr Walters cares to use his long-standing advocacy of the cause of the PLO as a base to induce its leaders to give up terrorism, to cease killing innocent non-combatants in the Middle East and also to broaden new life into the remarkable Camp David process, with its objective of a just and lasting peace between Israel and her neighbours, I would be only too glad to do so.

GREVILLE JANNER, President,
The Board of Deputies of British Jews,
Woburn House,
Dover (Woburn) Place, WC1.
May 27.

Supporting US over Iran

From Mr D. M. Day

Sir, I agree with Mr John K. Pagan (May 31) that Britain should support the United States against Iran as they supported us against Hitler. This would presumably show us two years of highly profitable restraint before we felt compelled to stand shoulder to shoulder with them.

Yours faithfully,
D. M. DAY,
21 Glendale Close,
Finchfield,
Wolverhampton.

LETTERS TO THE EDITOR

Release of prisoners on parole

From Professor Terence Morris

Sir, You are to be congratulated for publishing Mr Charles Richardson's letter last week (May 29), since the press is one of the few ways in which convicts may get a wider hearing for their grievances, communications with the press whilst in custody being effectively prohibited. In his case the grievances are substantial and ought not to be swept aside since a man's human rights are not extinguished simply by the fact of his lawful imprisonment.

What Mr Richardson's case does — and I would not wish here to enter into a discussion of its merits — is to expose the parole system not as a system which is reassuringly called "weakness" but as a device which runs counter to so many questions relating to both natural justice and freedom under law that it ought to be recognized as being what it really is, born of a tradition of liberal positivism its derivation is from the school of penal thought rejoicing in the name of "social defence". The criteria of continued containment relate essentially to a concept of "dangerousness" that is ill-defined and often, like the old "Mugshot" rule, display at times the rigidity of a prison wall while at others the flexibility of the couch of Procrustes. The system, moreover, gives enormous power to the relatively anonymous agents of the state, working in secret and with a minimally credible degree of public accountability. In a free society we ought to rejoice in the principle of justice being done in public, by a judiciary which, for all its faults, must be publicly accountable to before whom even the vile of criminals is entitled to the benefit of advocacy in mitigation of sentence.

That the parole system in its various manifestations is now widely discredited in the United States after long years of use—misuse, some would call it—apparently raises no doubts in the minds of its admirers in this country. That it represents a growth of executive justice at the expense of public justice is not, apparently, an important consideration. It has, of course, a veneer of liberal progressiveness about it, as a means of shortening long sentences. In practice it is no better than a device for effecting gaoil delivery from overcrowded prisons while seeming to be virtuous. Some of us who are concerned about prison overcrowding and long sentences prefer to think that the solution to the problem lies in the initial stages of sentencing. One has more than a slight suspicion that not a few of the judiciary may share that view.

Yours faithfully,
TERENCE MORRIS,
9 Priors Way,
Oliver's Battery,
Winchester,
June 2.

From the Rector of St Mary-le-Bow, London

Sir, The letter from Charles Richardson which you publish today (May 29) poses some pressing questions for those responsible for the administration of our penal system.

A year ago I saw Charles at Maidstone and talked at length with him. It is difficult to connect the man he now is with the thoughtful, considerate and gentle man who was responsible for acts of violence nearly 15 years ago. It is only rarely that long prison sentences are reformative. But when reformation does occur, and when all who know the man concerned can vouch for its genuineness, the quality of mercy is demanded from any society which still lays claim to be guided by Christian values.

The reason why Charles has not been allowed parole can only be because of the political disadvantage which could attach to the exercise of this prerogative. The fact is that he has made constant applications to the Parole Board, and each time parole has been refused, hope has been followed by despair. This is a death by inches because in the end it leads to the death of the human spirit. And of course the Parole Board is never obliged to give reasons for the prisoner for its refusal.

It is necessary to understand why he should now feel however wrongly, that no other course is open to him but to appeal to society at large. His letter characteristically combines self-knowledge with perception. I believe that this man has now the will and desire to be a useful and responsible member of the community, and to be allowed to atone. His plea for clemency ought not to go unheard.

Yours faithfully,
GERALD E. HUDSON,
St Mary-le-Bow,
Cheapside, EC2,
May 29.

A Strauss profile

From Mr Tom Bower

Sir, Mr Brian Crozier (May 30) criticizes my report on Franz Josef Strauss in the BBC's *Panorama* programme of May 12. His criticisms are as selective and as unfair as his claims not to report to be, taking over "the smuck of past smear campaigns". It is significant that Mr Crozier's own long article in the February 15 edition of *Now* magazine, while defending Herr Strauss, dealt with his exclusivity and in detail with the past controversies in Herr Strauss's public life.

My report did not only present criticisms of Herr Strauss. The opening section of the film dealt entirely with Herr Strauss's successful visit to the United States. It also described the situation which he now faces inside Germany resulting from his policies and attitudes. Throughout the rest of my film report, critical points were answered wherever possible, either by Herr Strauss's supporters or by extracts of his speeches, previous interviews or Herr Strauss himself at a press conference.

It was of course a great pity that Herr Strauss declined *Panorama's* repeated invitations to give an interview in which he would, of course, have been given a new opportunity to answer political and personal criticisms made.

Mr Crozier criticizes me for making no attempt to interview an opponent of Strauss, the author Hans Helmuth Kirs. I did, in fact, speak on the telephone to Herr Kirs about Herr Strauss's war record before deciding not to interview him. I am, I think, justified in the decision, rightly or wrongly, after hearing that Herr Kirs had himself originally accused Herr Strauss of being a Nazi. I felt his change of mind about Herr Strauss would be confusing.

It is true that I did not attempt to investigate in the film the "credentials" of the organization leading the campaign against Herr Strauss. Bernd Engelmann, whom I interviewed, is well known as a successful West German author. His campaign is supported by many members of the West German government party. He seemed for less than two and a half minutes with a 34-minute film: hardly suggestive of unbalance. Similarly, to spend less than three minutes on the *Der Spiegel* affair, half of which was taken up by Herr Strauss defending himself, seems contrary to Mr Crozier's criticism, a proper balance.

Whatever Mr Crozier may think of another of Herr Strauss's critics in the programme, Dieter Huber, Herr Strauss and his party have admitted the authenticity of the documents he produced. Herr Strauss's assistant, Hans Klein, appeared in the programme to explain the payments made to Spanish politicians.

I did not interview Herr Mende, the German Liberal Party leader at the time of the *Spiegel* affair, but I did interview the former Socialist Minister of Economics, Dr Karl Schiller, who, as should be clear to readers who saw the programme will remember, praised Herr Strauss's ability and qualifications.

So while it is true that my report included the criticisms of Herr Strauss which could be heard throughout West Germany, which were dismissed by Mr Crozier's article in *Now*, it is quite untrue that the arguments in favour of Herr Strauss's candidature for the Chancellorship were missing.

Yours sincerely,
TOM BOWER,
BBC Television Centre,
Wood Lane, W12,
May 30.

Such a tasty dish

From Professor J. D. Bullock

Sir, Dr Alan Long in his letter (May 28) either misleads or confuses us on the identity of "ergot" which is not found on pulsed, but on cereals and which is caused not so much by faulty storage as by natural infection of the standing crop. Indeed, a glance at the history of "St Anthony's fire" shows that it was a far more serious problem in former times (when "organic farming" was the rule rather than an eccentricity) than it is today. As for the "stambourgers" and the various shades of meaning these words have, there are some real standards of food microbiology. A start along similar lines is already being made in Britain, but I am fearful that amateur enthusiasts will do such ventures more harm than good.

Your aseptic servant,
J. D. BULLOCK,
Weizmann Microbial Chemistry Laboratory,
Department of Chemistry,
The University of Manchester,
Manchester.

standards of food microbiology. A start along similar lines is already being made in Britain, but I am fearful that amateur enthusiasts will do such ventures more harm than good.

Your aseptic servant,
J. D. BULLOCK,
Weizmann Microbial Chemistry Laboratory,
Department of Chemistry,
The University of Manchester,
Manchester.

Summer of discontent

From the Chairman of the Richard III Society

Sir, After apologies by the Foreign Secretary for Death of a Princess ("mixing fact with fiction...") and by the Independent Broadcasting Authority for *A Man Called Intrepid* ("dramatic licence should not lead to a travesty of the truth"), may we expect an apology from the society of the Nation Theatre for staging Shakespeare's scurrilously inaccurate docu-drama *Richard III*, which is deeply offensive to many people today? Or is genius an acceptable excuse?

Yours faithfully,
JEREMY POTTER,
41 Woodford Square, W14.

A surprise view of viewing

From Mr Cecil Gould

Sir, The announcement (May 30) of the appointment of consultants for the planning of the fourth television channel provides an opportunity to make a plea for belated justice for the visual arts. By that I mean primarily programmes on painting, sculpture, architecture, etc. No one seems to have realized that it would be logical to allot them as much time on television as is given to music on sound radio.

The proper ratio between high-brow and lowbrow is a detail compared with the non-recognition, up till now, of the claim, on television, of the visual arts in principle, and compared with the desirous amount of time hitherto given to them when compared with broadcast music.

I have little doubt that this suggestion, if it is even considered, will be greeted with hostility comparable with that encountered at the beginning by such absurd notions as abolition of slavery, the Great Reform Bill, or votes for women. Nevertheless a beginning must be made.

Yours,
CECIL GOULD,
6 Palace Gate, W8.

Possible aerosol damage

From Dr J. D. Butler

Sir, I have read with interest the comments from Sir Ralph Grayson and Mr M. A. Cline (May 27) on the report of possible damage to living tissue from the destruction of ozone by aerosols which appeared on May 19 by the *Science* Editor. I would like to point out that the influence of fluorocarbon hydrocarbons on the earth's stratospheric ozone band, in fact, only represents one of a number of threats to life on our planet, caused by anthropogenic emissions to the atmosphere.

Other emissions which require urgent attention from the health hazard viewpoint are the effects of airborne lead and polycyclic aromatic hydrocarbons. Although the former has received considerable investigation, doubt still persists on the long-term toxic properties of the ambient urban lead aerosol.

Another much less publicized phenomenon concerns the emission of krypton-85 from nuclear power stations. This gas is globally dispersed and since it is radioactive it causes even in very low harmless concentrations ionization of air. Well-founded fears have been expressed, based on scientific calculations, that this will affect the electrical properties of clouds and cause detrimental climatic changes in the earth's weather patterns. These fears are in addition to those widely held with regard to carbon dioxide.

Until further evidence to the contrary, a reasonably cautious attitude should be adopted in the discharge of certain chemicals to atmosphere. Good husbandry now is essential if we are to pass on to future generations a planet that is inhabitable.

Yours faithfully,
JOHN D. BUTLER,
Department of Chemistry,
University of Aston in Birmingham,
Gosta Green, Birmingham.

Academic research aims

From Dr Geoffrey Alderman

Sir, The length of time taken by many postgraduate students in the humanities to successfully complete their doctorates arises, in part at least, from the peculiar system of appointment to university lectureships and promotion within British universities.

Many humanities postgraduate students have in mind a career in university teaching. They do not complete their doctorates in three years but then, having obtained a university teaching post, there is absolutely no incentive for them to do so. On the contrary, they know that release from probation will in no sense be dependent upon research or the gaining of a research degree. And, having been released from probation, they can progress to the top of the lecturer scale—and, alas, beyond it without any achievement in research terms.

There is no need to extend the period of a research grant given to PhD students in the humanities. I completed my doctorate in three years and one month. What is needed is radical restructuring of university pay scales and promotion criteria in order to reward those who do research and obtain research qualifications, and to penalize those who do not.

Yours faithfully,
GEOFFREY ALDERMAN,
172 Colindale Lane, NW9.

Sitting ducks

From Mr Peter Page

Sir, I wish to draw attention to the predicament of those hundreds of thousands of jaw-binding members of the electorate who shoot at harmless, artificial targets, namely, clay pigeons.

An "order" by the Home Secretary seems to reduce the rate of inflation and push up the cost of a shotgun certificate by over 70 per cent to £12; and by 60 per cent to £8 for a renewal or replacement.

I hope that most members of Parliament will vote for Mr John Patten's "prayer" to amend the Home Secretary's "order" when it is debated in the House of Commons.

Yours, etc.,
PETER PAGE,
107 Eppingdon Road,
Buckhurst Hill,
Essex.

Without stain

From Brigadier R. L. Allen

Sir, Could someone explain to me why fried, scrambled or boiled eggs stain silver, whereas poached eggs do not?

Yours faithfully,
R. L. ALLEN,
Thorn Knoll,
Broadwater Lane,
Aston,
Staveley,
Hertfordshire.

diplomatic status

of Sison

I sure that the Roman told Mr van Strau- 28) that they "were up the papacy of its temporal power" were or grounds than Mr

Lofus (May 31) suggests. What influence, other than political influence, can be exercised through diplomatic channels? If there is some suspicion that Rome—like other ecclesiastical authorities—easily slips into confusion between "spiritual" and "temporal" powers, it is nothing new in this

world. Mr Scrutenspe's Roman Catholics have a respectable ancestor in Dante.

Yours faithfully,
C. H. SISSON,
Woodfield Cottage,
The Hill,
Langport,
Somerset.

Social Focus

The volunteers who begin their charity at home

An organization which has played a major part in one of the most exciting and positive social and educational movements of the last two decades has just quietly celebrated its coming of age.

Since it was founded in 1962, Community Service Volunteers (CSV) has given over 30,000 young people the experience of between six and 12 months full-time community service. It has pioneered the idea of community service for horstall trainees and children in care and it has directly inspired the development of social service as a curricular or extra-curricular activity in nearly every school in the country.

CSV was the brainchild of Dr Alec Dickson, a latter day Baden-Powell with a highly practical vision of harnessing the enthusiasm, idealism and skills of the young to the manifold needs and problems of the world. Four years after setting up Voluntary Service Overseas, he realized that "there were wildernesses and deserts here in Britain" and that a year spent by a school leaver in full-time community service at home was just as valuable as one abroad.

CSV was the first organization of its kind anywhere in the world. President Lyndon Johnson copied it a year later when he set up Volunteers In Service to America. Since then delegations from all over the world have come to study CSV's activities.

Since it began, CSV has had a policy of never refusing anyone who comes forward as a prospective volunteer. It has found jobs for the blind and severely handicapped. Mrs

Elizabeth Hoodless, the executive director, says that handicapped volunteers are often most successful and happiest working in prisons and hostels where they inspire a surprising degree of concern and affection.

In the early days around 90 per cent of those recruited by CSV were from public schools with a year to fill in before going to university. Now there is a much wider social mix of volunteers, with far more young school leavers and an increasing number of children in care and young unemployed involved in special programmes. Several large companies have seconded staff to do community service and in the past few years the civil service has started sending people on six-month CSV placements.

Alec Dickson would like to see far more secondments from industry and government. He feels that a period of work "in the front line" would greatly help decision makers. Those volunteers who worked alongside hospital porters, for example, found that their experience changed their attitude to public sector workers' strikes.

Although he balks at the idea of a period of compulsory community service for everyone, Alec Dickson believes that "responding to human need should be an integral part of every individual's upbringing". He would like to see the barriers that exist between the concepts of service and study in the educational world broken down with far more attention being given to how the former can be harnessed to the latter. He is full of ideas



Dr Alec Dickson.

for making school lessons and university courses socially useful. Recently CSV has been involved in a highly successful project in which science students from Imperial College, London, tutored pupils in three inner London comprehensive schools. It has just published a book, *Learning by Teaching*, which describes this and other similar tutoring schemes.

For the first 15 years of its life CSV's main problem was to persuade government departments and local authorities to allow volunteers into the institutions that they ran. There were more volunteers than there were places to send them. For the past three years, however, the situation has been reversed. There has been no shortage of placements but there has been a fall-off in the numbers coming forward to volunteer.

Elizabeth Hoodless feels that a hardening of attitudes by

both young people and their parents in the wake of the worsening economic climate and the danger of unemployment has made school leavers more anxious to get into a job and less ready to do a spell of community service. Universities have also been less keen to encourage prospective entrants to have a year in CSV.

CSV's recent involvement with the young unemployed has in part made up for this shortfall in volunteers. But the decline in the more traditional type of young volunteer is something that causes particular concern to Alec Dickson. As he wrote in the latest CSV annual report: "If community service in the United Kingdom comes to be seen as something temporarily devised for the least advantaged of our young people, whilst the intellectually gifted proceed to prestigious universities and thence to technical and executive positions of elite status and remuneration—without some common experience of tackling the needs of society, without an opportunity for the ablest and most talented to share what they have to give with the least favoured—that is a certain recipe for the continuation of a divided nation."

In its other main spheres of activity, CSV is finding no difficulty in attracting volunteers for community service. It currently provides local placements for 2,000 unemployed 16 to 19-year-olds every year and recently started a new Service Away From Home scheme to give 100 school-leavers from areas of particularly high unemployment the chance of six months' community service in

a less deprived part of the country.

Involvement of horstall boys and other delinquents in full-time community service placements is increasing. Elizabeth Hoodless sees it being a likely growth area in the 1980s. As she says, "Working in a geriatric ward provides a much shorter, sharper shock than anything. Send Detention Centre can give, and it is also a lot cheaper for the taxpayer."

In many ways the thinking in CSV is in line with that of the present government. Elizabeth Hoodless would like to see Britain emulate the state of Massachusetts which has closed all its publicly run residential institutions and concentrated the care of the elderly, the handicapped and children needing care to private and voluntary groups. CSV has shown the potential and the value of a thriving voluntary sector in the field of health and social services. It has also shown professionals in these areas that volunteers complement rather than threaten them.

When a party of Danes came to look at the work of CSV a few weeks ago, Alec Dickson took them to visit a hospital in Croydon where there is a particularly high number of volunteers working. The Danish delegation asked one of the doctors why the British government did not pay for proper professionals to do their jobs. "We may have the technical skills to heal the patients," he replied, "but who do you think gives them the will to live?"

Ian Bradley

Physiotherapy: underpaid and undervalued growth industry

In 1894 to counteract lurid stories that were appearing in the popular press of massage being offered in houses of ill repute, four young women with the support of their colleagues, set up the Society of Trained Masseuses to make massage a "safe, clean and honourable profession" for British women.

Within 25 years, in 1920, that society was granted a royal charter. Yesterday in the presence of the Queen, the Chartered Society of Physiotherapy, now with close on 20,000 members, celebrated its Diamond Jubilee.

A highly efficient profession, they are today recognized as an integral part of the health team, both in the National Health Service and in private practice.

Their work involves people of all ages, and ranges from the physiotherapist caught by the television camera rushing to an injured player on the sports field, or rehabilitating the smashed bodies of soldiers injured in Northern Ireland, to the often unsung professional who treats a spastic child, assists an elderly patient with terminal illness or who clears the fluid from the chests of heavily sedated patients after major operations.

Despite being some of the lesser known members of the health team, physiotherapists probably spend more time with their individual patients than anyone else.

Teaching stroke and road-crash victims to regain control of their limbs, helping a child born with bone deformities or spinal bifida to walk and cope with life, teaching mothers to relax before childbirth, or talking out their fears and phobias as they learn exercises to bring abdominal muscles back to normal strength, can often mean a physiotherapist spending up to two hours a day, sometimes more, with a patient.

In the early days, physiotherapists were closely allied to nurses, but as their techniques have developed they now do their own assessments and treatment on patients referred by consultants and general practitioners.

A modern physiotherapist's skills include not only the traditional skills of heat and massage, but a detailed knowledge of anatomy and the ability to use modern electrotherapy including ultrasound, ice and manipulation.

In the past they were seen largely as the handmaidens of doctors, and when it came to research their role was often to do little more than assist. Today a number of physiotherapists are undertaking their own research programmes, working on their own ideas, in a way which will strengthen the scientific basis of their work.

This change is a major step forward and the appointment of a full-time physiotherapy officer at the Department of Health and Social Security two years ago has given physiotherapy a voice of its own in the overall policymaking of the health service.

The change is a far cry from the 1940s when the society's negotiators had to file into the room, where management sat, to present their pay claim standing up.

From the first the society took an interest in its members' pay and conditions. Years of negotiating culminated in the society being registered as an independent trade union in 1976 under the Industrial Relations Act, although the proposal to join the TUC was narrowly defeated in 1979.

Most candidates entering the profession today have university entrance qualifications. Opportunities for state registered physiotherapists range from hospital and community work within the NHS to work with the armed forces, special schools, private practice, industry and sports clubs.

The development of educational facilities within the society has led from the present diploma course to a degree course. There are over 30 physiotherapy schools offering diploma courses and Northern Ireland has shown the way to degree status. The first physiotherapy students will graduate this year. Others will soon follow from London and, it is hoped, Sheffield.

The high number of accidents, stress in all with its attendant strokes, coronaries, and the increasingly ageing population put heavy demands upon the profession. As in the health field, physiotherapists are likely to have to distinguish between demand and need.

Although a non-military profession, the pressures of the NHS reorganization, widespread frustration, salaries have led to along with the reorganization in 1974, the appointment of the Hs committee to negotiate arises.

Dissatisfaction swelled this year over the Clegg on pay comparability, showed all too clearly the skills of the profession been undervalued and paid, although Clegg's to recognize the skills and responsibilities of physiotherapists now have a bitterness and disappointment.

Physiotherapists have ever, so far resisted the tation to join other workers in overt action, limiting their to demonstrations.

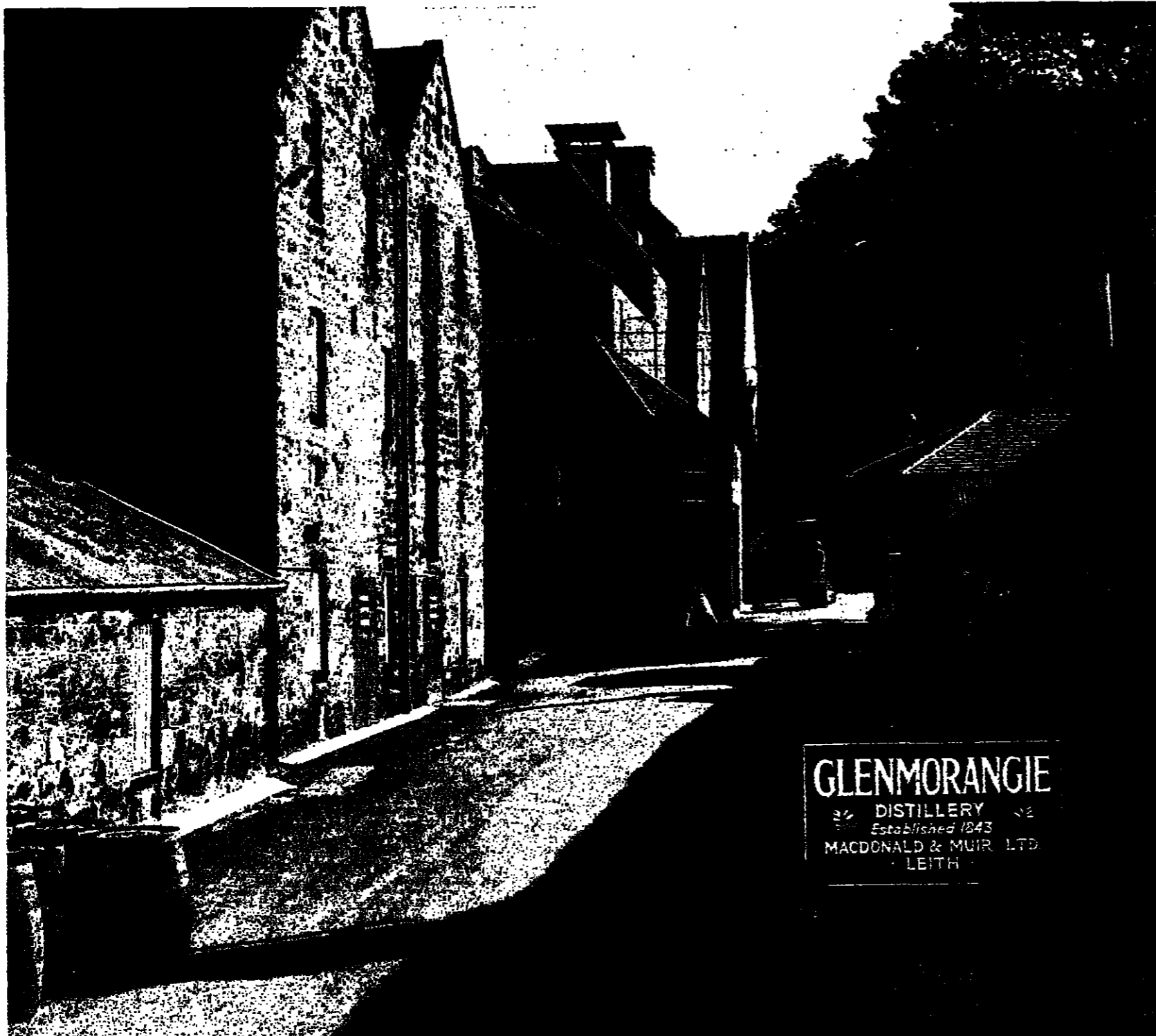
The diamond jubilee occasion for celebration the profession is well aware the need to look more fully at the contribution makes.

Physiotherapists role - ventive medicine, teach industrial workers to as injuries, helping people at old age in ways that w prevent accidents such as and helping a society to take exercise to do so unnecessary injuries, m become crucial.

Enlightened doctors always relied on the pr and recognize their c tion to diagnosis and ment. Now with mpendence and recognize skilled group in their right, physiotherapists hoping to meet the c tion more positive a future.

Audrey Ma

Editor of J



This is where the world's finest single malt comes from.

No single malt whisky is more respected than Glenmorangie. Produced since 1738 in a distillery

overlooking the Dornoch Firth, it remains today what it has always been.

Virtually unrivalled for taste. And, hardly surprisingly, in somewhat limited supply.

Since 1894, however, the subtle pleasures of Glenmorangie have been available on a more generous scale.

It is to be found in a blended whisky called Highland Queen.

Produced very slowly, using time-honoured, not to say old-fashioned methods, Highland Queen contains a very high proportion of malt whisky.

It is, in short, to ordinary blends what Glenmorangie is to ordinary single malts.



Children's Books

Beginning in the parlour

Earlier this year I wrote about *Cushla and her Books* (Hodder £3.95), that remarkable testimony to the vital role of books in the life of a severely handicapped child. Now comes the heartening news that the author of that study, Dorothy Butler, is the recipient of the Eleanor Farjeon Award for 1980. (This is a prize given by the Children's Book Circle—an organization by no means as genteel as its name suggests. Its members are drawn from people working in children's book publishing—a fairly beady-eyed bunch—and, unlike the tyros on the Arts Council, they state clearly the terms of their annual award, which is for distinguished work "with or for children through books", and they publish logical reasons as to how they arrive at their decisions.)

Dorothy Butler's winning of the Eleanor Farjeon Award is by no means solely for the writing of *Cushla*. In fact that work can be seen as anything but a culmination in a life that is touched at all points by books and by childhood—whether her own, or that of her eight children or her nine grandchildren.

Born in New Zealand, Dorothy Butler trained as a secondary school teacher there, but before long turned her attention to the needs of very young children. This in turn led her to a realization of how badly served many parents are both in getting to know about the potential of children's books and in actually laying hands on the books themselves. Thus, working at first from her own back-parlour, Dorothy Butler began her second profession, that of children's bookseller, and has now built up in Auckland what several reliable authorities claim to be the best children's bookshop in the world.

It is probably fair to say that all these activities—including too the academic research upon which her study of *Cushla* was based stem from an almost missionary zeal to widen public understanding of how fundamentally important books can be for children. Such a general application could indeed be made from the special evidence in *Cushla*, but Dorothy Butler has now followed this volume with two more that develop the wider argument.

The first is a little manual, written with the educationist Marie Clay, *Reading Begins at Home: preparing children for reading before they go to school* (Heinemann Educational £1.50). The second is a longer, more discursive book of her own: *Babies Need Books* (Hodder Head £4.95). Both, though, are characterized by a powerful



A drawing by Shirley Hughes from *Babies need Books*—harbours of experience and the everyday—the preservers of milk-churn Wild Things.

Dorothy Butler is perceptive and sympathetic in her early chap the child travelling from hood to self-discovery a discussion of related h full of practical wisdom particularly liked her struck for those master-black-and-white picture Marie Hall (Eis and Gag.) As a commentator ever she veers somewhat the warm, exch style favoured by American ladies ("I please!" "what a w present for a new fa and she is naturally i to place the child a rather than the book to i tre of her critical i This admirably speache case against the depre tations of supermarket and reading schemes, foreshadows a leaning i cosiness (Ruth Bor Little Gorilla is su enough in its coy but it is really "the picture book"?)

What is new and exhilarating about this approach is its total practicality in terms of parents own needs. With so many children grandchildren—and doubtless customers in the bookshop—Dorothy Butler recognizes a fact which the theorists sometimes overlook: that children, once born, are there all the time and that this is provocative of boredom and irritability as well as hugs and kisses. Under the invigorating slogan of *opting in* to a child's development she sets about showing how books, simply as physical objects, can offer a variety of opportunities for companionable activity for child and parent together. Then, from such a base in play she demonstrates with a host of examples the extensions to a thought and language which are made possible by books: books as alternative ways of speaking, for no parent can "endlessly initiate speech" books as performance; books as

Brian Ald

biotherapy
and under
th industry



General Sir Basil Eustace (Colonel, Irish Guards) and the Chairman and members of the Quis Separabit Club by her presence at Dinner at the Savoy Hotel.

JRT ULAR
The evening at a...
received by the...
the Queen...

KENSINGTON PALACE
The Duke of Gloucester...
the Duchess of Gloucester...



Miss Ann Todd, Dame Anna Neagle and Miss Ingrid Bergman after the requiem Mass for Sir Alfred Hitchcock yesterday.

YORK HOUSE
The Duke of Kent...
the Duchess of Kent...

YORK HOUSE
The Duke of Kent...
the Duchess of Kent...

Tribute to a master of the macabre
By a Staff Reporter
Sir Alfred Hitchcock was the central figure in Westminster Cathedral yesterday, 40 years after he sat in the same building directing a film.

Forthcoming marriages
Mr M. L. Wenzink and Miss J. L. Campbell...
The engagement is announced...

Forthcoming marriages
Mr M. L. Wenzink and Miss J. L. Campbell...
The engagement is announced...

£11,000 for Japanese ceramic jar
By Huon Mallalieu
Japanese ceramics were sold at Christie's yesterday as well as works of art and sculpture, Russian and Greek icons and bonds and banknotes.

day
Black 64; Sir...
The Right...

day
Black 64; Sir...
The Right...



Princess Margaret at a service of dedication of RAF Coningsby's badge at St Clement Danes, Strand, yesterday.

chool
Elizabeth Russell...
The school...

chool
Elizabeth Russell...
The school...

Princess Margaret at a service of dedication of RAF Coningsby's badge at St Clement Danes, Strand, yesterday.

OBITUARY
MR HENRY KINGSBURY
Inventor of wide ingenuity

Mr Henry Kingsbury, who died suddenly on May 31 at the age of 67, was an inventor blessed with singular ingenuity. He was best known for his development of Elocrolube, a synthetic lubricant whose resistance to extreme cold and heat led to its use both in the early American space rockets and in the Paris Metro, but his range of invention was truly catholic. As a schoolboy with a natural aversion to the morning chill he designed his alarm clock to turn on an electric heater and make the tea before waking him, and this sybaritic streak continued to produce a succession of gadgets by which he hoped to eliminate the inconvenience of climate or the fallibility of memory.

After an education at Dartmouth Naval College and training as an electrical engineer at Faraday House, he was employed by General Electric for whom he invented a number of devices, an electric hammer, a time switch and machinery for insulating electric cables. During the war he served in the Admiralty Research Laboratory where he developed the degaussing equipment used to protect vessels against magnetic mines, and later refined existing echo sounders to make them proof against electronic interference.

By the death on May 25 of Noel Goddard Terry, MBE, at the age of 30, England has lost a true patriot and the City of York a great friend. Born on December 20, 1889, at the family home of 22, St. John's Street, he was educated at Marlborough College, he joined the family business of Joseph Terry & Sons Ltd, chocolate manufacturers, at the age of 22. It was a company which he was to serve for 32 years as joint managing director and later as chairman, and it was largely under his guidance that the firm grew and prospered.

He saw service in the Great War, with the West Yorkshire Regiment. He was wounded in action in 1916 and invalided out of the Army at the end of the war, when he rejoined his family firm. During the Second World War he became Controller of No 9 Group of the Royal Observer Corps at York, for which services he was made MBE.

His son, Squadron Leader Kenneth Terry, DFC, was killed in action in 1943 at the age of 23. For Noel Terry, York epitomized all the things which England is and was. For him it was a city against whose walls he fought, a city which he loved, a city which he regarded for the city found expression in many spheres of local life - Rotary, the York Georgian Society, the York Boys' Club, and the Friends of York Minster, to name but a few.

Mr Noel Terry and his colleagues saw the necessity of preserving the wealth of the city's historic and architectural heritage. He became the trust's honorary treasurer, a position he held for more than 25 years, during which, by careful stewardship, he gave it a firm financial base. He was a strong proponent of the government's proposal to create a National Trust for the Conservation of York (1968), which he recognized as a watershed in the city's history. Only those close to him will ever know the full extent of the contribution he made to the preservation of York.

The death of his wife Kathleen only a few months before his own had brought to an end 65 years of blissful marriage, and it was a blow from which he was not to recover. He leaves three children and 10 grandchildren. His eldest son, Peter, is the present High Sheriff of North Yorkshire.

MR ALEXANDER WALKER
Anthony Royle writes - Alexander ("Sandy") Neilson Strachan Walker, CMG, died on May 10 at the age of 59. He was educated at Oundle and Caius College, Cambridge, and served in the Royal Air Force during the Second World War. He was twice mentioned in dispatches and took part in bridgehead landings in the Mediterranean and France. He was awarded the Croix de Guerre avec Palmes.

MR CLAUDE E WALLIS
Mr Claude E. Wallis, MBE, who died on May 25 at the age of 94, was chairman and managing director of Associated Press until his retirement in 1960. He was born in Madras and educated at Emmanuel and St Paul's Schools. In 1905 he joined the late Lord Montagu on the then Car Illustrated and The RAC Journal. In 1911 he offered his services to the late Lord Montagu and worked until he was called up in August, 1914. He was wounded in the battle of the Somme and taken prisoner. After two years as a prisoner of war he was sent to an internment camp in Switzerland, where he organized the British Red Cross school of motor mechanics.

Science report
Nutrition: Life-saving tea
Nature expected, Britain in the consumption of pure water, it percent of the British population can feel they are maintaining their minerals. At her they are unlikely to get their minerals from the water they are drinking. The report says that the water they are drinking is not pure enough to maintain their minerals.

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Today's engagements
The Prince of Wales visits Home Office.
Princess Anne attends dinner of the Girl Guides Association, visits Glenbrook Outdoor Activity Centre, Derbyshire, 12.30.

MR J. F. BURKE
Mr Joseph Francis Burke, a composer-producer who wrote for Jimmy Dorsey in the 1940s and produced the current best-selling Frank Sinatra album *Trilogy*, died on May 31. He was 66. He had been associated with Sinatra for more than 20 years and collaborated on more than a dozen albums, including *A Man and His Music* and *Sentimental Journey*. He wrote for Charlie Spivak, Gene Krupa and Dorsey in the 1940s, and conducted on recordings for Billy Eckstine, Dinah Shore and Mel Tormé.

MR ROBERT MICHAEL JOHN
Mr Robert Michael John, Consul-General at Bordeaux and earlier from 1974 to 1978, Ambassador to Panama, died on May 20 at the age of 56.

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THE TIMES

BUSINESS NEWS

Oil: learning to live with uncertainty, page 27

Anti-inflationary policies could worsen recession, OECD told

From Peter Norman, Paris, June 3

Mr Richard Cooper, the American Under-Secretary of State for Economic Affairs, said today there was a danger that the western industrialized world would slide into a major recession as a result of the anti-inflationary stance at present supported by most governments.

Mr Cooper said that there was an overwhelming agreement among the 24 member countries of the Organization for Economic Cooperation and Development (OECD) and that monetary and fiscal policy must remain under sufficient restraint to break the inflationary mentality of the West.

However there was a danger that the industrialized countries together could adopt too restrictive an approach to the problem. In pursuing independent anti-inflation policies, the OECD countries could assume that economic activity in the rest of the world was more buoyant than was actually the case.

In this instance the world would be faced with a more serious recession than the shallow economic downturn outlined yesterday by Mr Emile van Lennep, the Secretary General of the OECD.

Mr Cooper, who is attending the two day ministerial meeting of the OECD Council added that it would be premature to stimulate the United States economy at this stage.

Officially the United States authorities are still predicting a shallow "saucer shaped" recession with an economic decline between the final quarter of 1979 and the last three months of this year, giving way to modest recovery in the following 12 months.

At today's meeting, ministers expressed support for the "declaration of trade policy" which has been drawn up by the OECD as a way of reinforcing the determination of member states to avoid protectionist policies.

The declaration, which is due to be endorsed officially during the two-day meeting, replaces the "trade pledge" which was first approved by

OECD member states in 1974 and has since been renewed annually.

Mr Philip Klutznick, the American Secretary of Commerce, today described the new document as a "testament to the viability of the principles of an open and non-discriminatory trading system".

Although the declaration will not be a legally binding international agreement, it will express the determination of member states to carry out policies designed to maintain and improve the present multilateral trading system and strengthen trade relations between the industrialized world and developing countries.

Most speakers at the conference today stressed the importance of the western world helping the developing countries to overcome the problems created by the large increase in oil prices over the past 18 months.

It was perhaps inevitable that many statements should err on the side of generalities, steering clear of practical suggestions for alleviating the difficulties faced by the Third World.

Mr Andrew Peacock, the Australian Minister for Foreign Affairs, was one of the few speakers to relate north-south relations to the changes on the international scene after the invasion of Afghanistan, the revolution in Iran and the occupation by Vietnam of Kampuchea.

He suggested that individual western countries would not be able to find unilateral solutions to their relationships with the Third World in the future.

He predicted that the OECD would have a more important role to play in the future of North/South relations. It should not only facilitate development of coordinated policies to promote stable, non-inflationary economic growth in the West.

At the same time it should give priority to policies that minimized the consequences to the developing countries of the present difficulties of the economy and so make a positive contribution to North/South relations.

Receiver for NEB-backed company

By R. W. Shakespeare, Northern Industrial Correspondent

A receiver has been appointed to take over the affairs of a Merseyside company backed by the National Enterprise Board, only three months after its official opening by the Duke of Edinburgh.

The NEB has £318,000 invested in ASR Servotron of Wirral and the company, which was formed to produce electric motors for the Department of Industry.

Twelve of the company's 54 employees have already been made redundant and within the past few days creditors have been informed that Mr Richard Ellison of Deloitte Haskins and Sells, chartered accountants, has been appointed receiver and manager of all the company's assets. The appointment was made at the request of the Servotron directors, and attempts

are being made to find a buyer. When Prince Philip performed the official opening ceremony at the factory on March 7, the company had already applied for the NEB to put up another £100,000 overdraft guarantee.

Mr Arthur Ward, the NEB's director of regional affairs, said yesterday that the board was involved in a minority shareholder and not as managers. The board had recognized that it was a high risk area but had believed it was worth trying to secure a new company for Merseyside.

"We are quite satisfied that we have done all that we can to help ASR Servotron get off the ground and keep going," he said.

Mr Ward said that the NEB had been prepared to guarantee the overdraft and even to invest a further £50,000 in the company, but it had been forced to draw the line when

it became clear that possibly another £200,000 was needed. "This is the first time that a company that the board has been involved in the north west has been put into receivership," he said. "We know from the outset that it was a very high risk business. But we are still hopeful that someone will move in and take it over."

Servotron is housed in a government owned advance factory which the company moved into about 18 months ago. The chairman of ASR Servotron is Mr Eric Kohn who has offices in London and Geneva. Mr Kohn is the proprietor of an engineering concern in the north west of England and has other business interests in West Germany.

Mr Ellison, who will effectively run the company, was appointed at the request of the directors on May 23, Bill Johnson writes.

The NEB was set up under the Industry Act of 1975 to provide an investment role especially in connexion with advanced technology and in partnership with the private sector.

The board has been under extreme political pressure since the election of a Conservative Government, largely because of the Tories' dislike of public money involved in the private sector.

The total investment by the NEB into Servotron was £318,000 of which £18,000 was in exchange for 25 per cent of the company's ordinary shares and the remaining £300,000 for preference shares.

The Servotron investment was a start up venture, which is notoriously risky, particularly in manufacturing industry during a period of high bank interest rates.

Mr Ellison will attempt to sell the business as a going concern.

Ex-gratia payment for top civil servant

By Nicholas Hirst

Mr Alan Blackshaw, a former high-ranking civil servant at the Department of Energy received an ex-gratia payment of £4,000 after a misunderstanding over evidence given to the public accounts committee last year.

Mr Blackshaw, a former under-secretary at the Department of Energy, in charge for a time of the Offshore Supplies Office, accepted his payment. He said last night he was very pleased that the matter had been satisfactorily concluded.

The public accounts committee had been investigating payments of interest relief grants under a scheme to help United Kingdom offshore suppliers take a larger share of the North Sea market. Some payments had been made outside the scope of the rules although within the spirit of the legislation.

In evidence last July Sir Jack Rampton, the Permanent Secretary, told the public accounts committee that 12 people involved in operating the scheme had been reprimanded, including an under-secretary.

The Department of Energy subsequently made it clear that Sir Jack had made a mistake that any connexion between and issued a statement saying Mr Blackshaw's resignation and the administration of the interest relief grant scheme and without foundation. Mr Blackshaw had resigned entirely for personal reasons and no under-secretary had been reprimanded.

Mr David Howell, the Secretary of State for Energy, told the House of Commons that Mr Blackshaw had left the department with an unblemished reputation and an apology for any distress caused to him or to his family had been made.

A statement by the department said yesterday that the ex-gratia payment arose "from errors following evidence given to the PAC in July 1979". In its report the public accounts committee censured the department for giving grossly inaccurate and misleading evidence.

The improvement was entirely caused by an £18.4m fall to £10.5m in interest charges, reflecting a reduction in borrowings after heavy divestments of overseas operations in the past two years.

The group said that despite growing signs of world recession, demand for most products and services was strong for most of the year although pressure on margins was severe.

Harrisons & Crosfield, the plantation and trading company with extensive Far East interests, raised pre-tax profits for 1979 by 65m to £58.4m. Turnover jumped from £546m to £635m. The company has increased its dividend by 15.3 per cent to 40p gross. The current year is expected to be satisfactory.

Financial Editor, page 27

Bank chief proposes plan for poor nations

New Orleans, June 3—Mr A. W. Clausen, Bank of America's president, today proposed a new financing obligation for the less developed countries to help them overcome their balance of payments deficits.

"Perhaps we can design a diversified financing obligation with participations" sold publicly and secondary markets maintained," he told the international monetary conference here.

Noting that mortgage pass-through certificates in the United States are based on this principle, Mr Clausen said: "The concept of utilizing the capital markets as a means of spreading and liquidating the debt load of developing countries should be explored."

Bankers said Europeans, who had expressed a desire for a strong United States currency for years, were beginning to see the advantage of a weaker dollar. Oil bills were paid for in dollars and much of the world's debt was dollar denominated.

The recent decline of the dollar had not been accompanied by a rise in the value of the Deutsche Mark against other currencies. In the past, a rapid drop in the dollar usually caused the market to appreciate against other European currencies, hurting the European countries which are Germany's main trading partners.

The bankers added that because Germany was running a current account deficit, the mark had not been independently strong against other European currencies.

Henry Wallace, a Federal Reserve Board governor, said that the United States was still committed to a strong dollar. However, he noted that the dollar's decline had not been as steep as the drop in United States interest rates and the



Mr A. W. Clausen: call for a new financing facility.

dollar's value was still higher against some currencies than it was at the end of last year. He said that the Fed's main preoccupation continued to be with its money supply growth targets and not with the dollar. Mr Wallace added that if the money supply continued to fall below target the Fed could probably be expected to raise interest rates, which would tend to stabilize the dollar and the Treasury bills future market indicated that rates would bottom out this month, then rise gradually.

Reserves rise to new record of £12,061m

By Caroline Atkinson

Britain's reserves rose by \$276m (£115m) last month to a new record level of \$28,284m (£12,061m). The increase was less than expected in the City where it was thought that the Bank of England had been intervening to a greater extent to brake the rise of the pound last month.

The underlying increase in the reserves, which gives the best guide to the extent of official intervention, was \$292m in May. This is broadly in line with the underlying increases in recent months and indicates that the Government held to its policy of non-intervention in the foreign exchange markets despite the heavy upward pressure on the pound.

During May sterling rose by 34 per cent against the dollar, ending at \$2.345. Against a basket of currencies it rose by 2 per cent over the month, although it was stronger than this in the last week of the month.

Public sector borrowings under the exchange cover scheme added £116m (£49m) to the reserves, while repayments on overseas borrowings amounted to £132m (£56m).

Borrowings included \$73m undertaken by the Electricity Council and \$40m by British Airways. The biggest repayments were \$75m by Glasgow Corporation, \$25m by the North of Scotland Hydro-electricity Board, and \$20m by the Electricity Council.

UK RESERVES			
The following are the figures for the United Kingdom's official reserves issued by the Treasury			
End of Period	£m	£m	Change in month \$
March	17,454	8,416	837
April	21,447	10,378	-480
May	22,070	10,163	538
June	23,473	10,400	1,429
July	23,305	10,317	-184
Aug	22,751	10,232	-554
Sept	22,498	10,012	-283
Oct	22,517	10,199	-31
Nov	22,719	10,211	302
Dec	23,706	10,456	987
Jan	24,835	10,523	223
Feb	26,563	12,480	3,028
March	28,008	12,520	1,043
April	28,284	12,061	+276
May	28,284	12,061	+276

Reserves revealed each year end-March.

Panic selling of sterling in wake of Thatcher statement

Continued from page 1

Banking figures to be published next Tuesday are expected to show a slowdown in bank lending in the private sector, but it seems unlikely that the Government will decide to cut MRR on the basis of just one month's figures.

The money supply figures will not be known until later this month, although the market thinks they may be slightly worse than last month.

During the summer the pressure on the money supply from a growing PSBR is likely to build up. Ministers are reluctant to move too soon on interest rates in case they are later forced to put them up again.

Mrs Thatcher's comments to Parliament suggest that the EEC rebate will not be used to cut taxes or to spend more on other programmes this year. However, ministers have not yet decided on how to use the money in later years when it builds up quite sharply.

There is likely to be pressure from Treasury ministers to put the money towards cutting public borrowing in later years too.

Yesterday's dramatic reaction on foreign exchange markets to the chance of an early fall in interest rates shows how much sterling's recent strength is caused by high rates in London.

As interest rates in the United States have come down, more and more money has poured into London in search of high returns. Industry leaders have called on the Government to bring down interest rates.

The twin pressure of high interest rates and a strong pound are squeezing companies very hard, and a reduc-

tion in interest rates would most certainly take some of the pressure off the pound as well.

After an hour of hectic selling of sterling yesterday, the markets quietened down. The pound had dropped from about \$2.335 to \$2.288, but it then came back to close at \$2.3040.

Sterling also fell sharply during the day against a basket of currencies.

Its trade weighted index dropped by 13 per cent during the day to finish at 73 per cent of its end 1971 value. This is the lowest it has been for two weeks.

Many overseas investors have bought government gilts in the hope of a reduction in interest rates which would mean a capital gain on the gilts.

Ministers clearly hope that interest rates will fall quite sharply this year, and that the rebate from the EEC will help to hold down the PSBR and to achieve lower interest rates.

However, there is no reason why the budget deal should bring forward the timing of a cut in interest rates.

Strike threat to port

By Our Northern Industrial Correspondent

Liverpool port is facing a series of 24-hour strikes by dock gate men after a breakdown in pay talks.

Employers have refused to improve on a 13 per cent increase for the 253 gate men, which would bring their basic wage to £122 a week.

Mr Alan English, district secretary of the Transport and General Workers' Union, said no prior notice of the 24-hour stoppages would be given.

Although strikes by the gate men would not affect cargo handling within the port, they would prevent the movement of all ships in and out of the docks.

Two weeks ago Liverpool's 5,200 dockers accepted a 13 per cent pay deal.

The fresh trouble comes when the port has increased its master porterage charges for the second time in four months. The new 16 per cent increase, backdated to May 15, follows a 20 per cent rise in February.

The increase has brought strong protests from port users. Mr George Alcock, users' representative, of the Merseyside Chamber of Commerce, said: "The level of costs at Liverpool is driving away trade and we could be signing our own death warrant. We fear that many importers will be looking for more cost effective ports."

Mr John Parker, a member of British Shipbuilders' board, has been appointed the first chairman of North-east Safety and Training, a company set up to run the new training centre. Mr Colin Douglas, formerly personnel director of Swan Hunter, will become the chief executive.

Mr Douglas said: "The fact that the corporation is prepared to invest in such a centre shows its faith in the industry. Its activities will ensure that the relevant knowledge and the skills and services to support this, will be developed to ensure a successful industry in the future." The cost of the scheme is not being disclosed.

Besides apprentice training, the centre will also operate training courses for management and supervisory staffs and shop stewards, and be open to foreign students. Eventually, unions will be represented on the board of the new company.

John Huxley

State group to set up training centre in North-east Shipbuilding university planned

British Shipbuilders is to convert part of Swan Hunter's Hebburn yard on the Tyne into what it describes as the shipbuilding university of the North-east.

The state group, which last year made a loss of almost £100m, said yesterday that the training centre represented "an impressive and practical demonstration of the corporation's faith in the future of the industry".

There will be places at the centre for 500 first-year apprentices, plus adult trainees, some of whom will receive instruction under the auspices of the Manpower Services Commission.

The first intake will be in August and companies within the corporation are being asked to state their requirements now. British Shipbuilders expect about 370 places to be filled. It says that there is no shortage of youngsters wishing to enter the industry, and that the centre allows for future expansion of training needs.

In recent months, the 75,000 workers in state yards have reluctantly accepted a harsh package on pay and jobs. Employment has already fallen by more than 12,000 since 1977, and further cuts are envisaged, especially in the merchant yards, where orders are still being taken, at loss-making prices.



Mr John Parker: chairman of new training company.

However, the corporation is confident that the painful restructuring will enable its yards to share in the expected upturn in business. The merchant yards are close to meeting its target order book, several months ahead of schedule.

The creation of a new training centre for the North-east was included in restructuring plans announced last year. The Hebburn yard, where ships

have been built for more than a century under Swan Hunter and before that under Hawthorn Leslie, is being split. Part will be integrated into the new training centre, while the remainder will become part of the adjoining modern Hebburn Dock facility.

Two building berths—one of which housed Lord Mountbatten's destroyer, Kelly—will be available to apprentices for practical work.

Mr John Parker, a member of British Shipbuilders' board, has been appointed the first chairman of North-east Safety and Training, a company set up to run the new training centre. Mr Colin Douglas, formerly personnel director of Swan Hunter, will become the chief executive.

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John Huxley

SIEBENS OIL & GAS (UK) LIMITED

At an Extraordinary General Meeting held on June 3rd, 1980, it was resolved:-

To change the name of the company to

SOVEREIGN OIL & GAS LIMITED

(the name to be adopted on receipt of confirmation from the Registrar of Companies)

To sub-divide each ordinary share of £1 each into 4 ordinary shares of 25p each

SHARE CAPITAL

Authorised
£10,000,000 in 40,000,000 ordinary shares of 25p each

Issued
£9,000,000 in 36,000,000 ordinary shares of 25p each

14 Waterloo Place, London SW1Y 4AR

Markets

Up 7.3
17 up 0.37

1335 pts
own 1.3

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own 60 pts

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"1979 was another busy year with further overall growth in the Group"

TOM PRENTICE - CHAIRMAN, HARRISONS & CROSFIELD, LIMITED

Summary of Results

for the year ended 31st December 1979
(Subject to Audit)

	1979 £'000	1978 £'000
GROUP PROFIT BEFORE INTEREST AND TAXATION	63,861	54,330
GROUP PROFIT BEFORE TAXATION	58,375	52,379
GROUP PROFIT AFTER TAXATION (before Exchange & Extraordinary Items)	31,846	28,491
EARNINGS FOR ORDINARY SHAREHOLDERS (before Exchange & Extraordinary Items)	27,945	23,567
ATTRIBUTABLE TO ORDINARY SHAREHOLDERS (after Exchange & Extraordinary Items)	25,714	23,239
EARNINGS PER ORDINARY SHARE	58.2p	52.8p
DIVIDENDS PER ORDINARY SHARE	28.00p	24.03p

PLANTATIONS

Operating Profit £29.5m (1978 £27.7m).

Higher rubber and palm oil prices were partly offset by lower cocoa prices. Further sizeable increases in yields per acre and also in cash returns appear capable of achievement. All this provides attractive scope for improved future earnings, albeit at a pace consistent with good agricultural husbandry.

CHEMICALS AND INDUSTRIAL

Operating Profit £8.6m (1978 £8.6m).

The expansion in America, together with that well under way at British Chrome & Chemicals, provides exciting prospects for growth. DuPont Chemical Group's planned production of anhydrous aluminium chloride at Birtley widens their product range. Canadian profits continue at record levels.

TIMBER AND BUILDING SUPPLIES

Operating Profit £11.1m (1978 £6.6m).

Our timber and building supplies operations everywhere improved upon the previous year. Increased merchandising of sheet materials and building supplies provides an important and valuable spread of activity in this division.

GENERAL TRADING

Operating Profit £6.1m (1978 £5.0m).

Our two major Companies in Malaysia surpassed by a wide margin the results achieved in 1978. Good profits were also earned by our businesses in Australia and New Zealand, while important contributions were also made by commodities, insurance and most general trading activities.

GEOGRAPHICAL DIVISION OF OPERATING PROFIT

	1979 %	1978 %
United Kingdom	23	23
Asia	68	70
North America	4	3
Other (mainly Australia, New Zealand and Papua New Guinea)	5	4

Dividend

The Board recommend a final dividend of 20.5p per share, making with the interim of 7.5p per share, a total dividend for 1979 of 28p per share (40p per share including the related tax credit of 3/7ths). The total dividend for 1978 was 24.03p per share (34.74p per share including the related tax credit).



Prospects

Chemicals Division opened the year at an acceptable profit level, although the weakness of United Kingdom demand and the continuing problem of low returns from exports are a concern for the remaining part of the year. Our Plantations, Timber and Building Supplies Division and our major General Trading operations have made a good start in 1980. Profits from these activities in the first quarter show a useful increase and overall we expect 1980 to be another satisfactory year.

Harrisons & Crosfield Vickers

1979 Report and Accounts

Points from the Statement by the Chairman, Sir Peter Matthews, A.O.

- UK Engineering Group, despite the engineering strike, achieved a 24 per cent increase in profits.
- Howson Algraphy Group performed well with profits again exceeding £10 million.
- Roneo Vickers and Vickers Australia experienced difficulties and reported losses but remedial action has been taken.
- Accounts distorted and profits diminished by failure of Government to pay compensation for businesses nationalised in 1977.
- Agreement in principle to sell International Machines Division of Roneo Vickers to CIT-Alcatel.
- Four Queen's Awards to Industry.

Aquisitions in 1979 included:

- Bristol Aerojet - a leader in the field of rocket manufacture
- Medelec - a world leader in electronic diagnostic equipment
- Inpac Automation - leading manufacturers of shrink wrapping machines
- Jered Industries Inc. - consolidates Vickers as world leader in ships' steering gear and stabilisers

Consolidated Results for the year ended 31st December 1979

	1979 £'000	1978 £'000
Sales	389,763	391,355
Consolidated trading profit	19,468	19,729
Investment income	187	369
	19,655	20,098
Interest payable less receivable (Note)	12,788	8,491
Consolidated profit before taxation	6,867	11,607
Share of profits of associated companies	427	94
Profit before taxation	7,294	11,701
Taxation	2,968	4,272
Profit after taxation	4,326	7,429
Loss/(Profit) attributable to minority shareholders	385	(1,116)
Stockholders' profit before extraordinary items	4,711	6,313
Extraordinary items	(1,217)	(18,254)
Stockholders' profit/(loss)	3,494	(11,941)
Dividends	4,688	4,678
Deficit	(1,194)	(16,619)
Earnings per £1 of Ordinary Stock before extraordinary items	9.9p	13.6p

Note: Interest receivable includes £917,000 (1978 £3,305,000) in respect of interest attributable to payments on account of compensation of which £552,000 (1978 £1,402,000) relates to prior years.

On Nationalisation compensation Sir Peter Matthews said:

"This has been the central theme of the Chairman's statement for five years... This saga, which must surely be unique, has been very damaging to the Stockholders of Vickers Limited. What is not always recognised, however, is the extent of the damage to our ongoing businesses, not only because of financial uncertainties, but through loss of opportunities for internal Group trading. Thus job opportunities have both been diminished and put at risk. "We can only urge the Government to use its powers to act quickly in bringing forward an acceptable offer for our erstwhile aircraft activities and in speeding the process of arbitration of our shipbuilders' interests".

Copies of the Report and Accounts 1979 have been posted to Stockholders of the Company.

The 113th Annual General Meeting of Vickers Limited will be held at 12 noon on the 26th June 1980 at Millbank Tower, London SW1.

VICKERS LIMITED, VICKERS HOUSE, MILLBANK, LONDON SW1P 4RA

Irish Republic launches program to attract foreign computer software companies

By Kenneth Owen
Technology Editor

Having attracted a substantial number of foreign-owned electronics and computer hardware companies to set up in Ireland, the Irish Industrial Development Authority is following this with a thrust to attract computer software companies to the Republic.

Yesterday the IDA announced that Turnkey Systems Inc (TSI), a subsidiary of National CSS of Connecticut, a Dun & Bradstreet company, had agreed to set up a software development branch in Dublin. The project will employ about 70 people, mainly graduates, who will be trained at IDA expense to bring new skills to the Irish computer software industry.

Earlier this week Apple Computer of California, one of the leading personal computer companies, announced it was to open a manufacturing plant in Cork later this year. Initially this will employ about 65 people, growing to about 1,400 by 1985.

Mr Jerry Kelly, manager of the service industries division of the Irish IDA, said yesterday that TSI planned to do all its future research and development for its software products for Europe at its Dublin base.

Speaking at a press conference in London, Mr Kelly said that software companies

already established in Ireland included Altergo, Boole & Babbage, Messure, Holland Automation, Comtech, Telecomputing and Zeus Hermes. The total number of such companies in Ireland was over 20.

Two key attractions for such companies, he suggested, were that the IDA paid the full cost of training staff and that companies paid no tax on profits on exports. Ireland expected to produce about 15,000 graduates in electronics, computer science and associated subjects over the next five years.

Mr Kelly said, the computer services industry was an important target sector in the development authority's efforts to create professional employment for Irish graduates and school leavers.

Ireland is exceptional in offering to the service sector the sort of financial incentives that are an accepted fact of life in attracting manufacturing companies. As well as computer software houses this category has included engineering and architectural consultants, quantity surveyors and process engineers.

TSI sells and licenses specially written computer programmes. It is particularly well known for a telecommunications-based system known as Taskmaster. Future development of this particular system will be among the projects to be handled by the new Dublin operation.

National CSS, TSI's parent, provides software and on-line computer services, image storage and retrieval technology and business computer systems.



Mr Jerry Kelly: computer targets of IDA efforts.

Copier will transmit text and pictures 100 times faster

By Kenneth Owen
Technology Editor

The prospect of transmitting and reproducing text and pictures more than 100 times as fast as with conventional facsimile equipment has been demonstrated in the United States.

It is linked with the plans of International Business Machines, the world's leading computer company, to move into the expanding new market of satellite business communications.

In a joint demonstration at Reston, Virginia, Satellite Business Systems and AM International (formerly Addressograph-Multigraph) showed the prototype of what is claimed to be "the world's first intelligent communicating copier". It is a high-speed document transmission system.

Satellite Business Systems is a satellite communications company which is owned jointly by IBM, Aetna Casualty and Surety, and Comsat General Corporation.

The new system was built by the Multiplex division of AM International under contract with SRS. It uses a computer-controlled, high resolution laser system which takes only two seconds to scan a page of text or graphics.

Using laser imaging, it reproduces multiple copies on plain paper at 70 pages a minute, either locally or at remote sites.

The data can be relayed via satellite for reproduction at remote sites. Pages are collated electronically and multi-page documents are printed in page sequence eliminating the need for mechanical sorters.

The prototype system will be used for demonstrations to potential customers, and is intended to be the starting-point for the development of a commercial system.

Mr Roy Ash, chairman of AM International, said that the new electronic system would provide a new dimension in the way office correspondence was reproduced and distributed. "Soon the bulk of an organization's memoranda, letters and reports can be processed at speeds now reserved only for the highest priority documents," he said.

Canada trade less

Canada's trade balance showed a deficit of £7m in April after a surplus revised downward to \$649m in March.

Opec chief supports S move to freeze oil price

Caracas, June 3.—Señor Humberto Calderon, President of the Organization of Petroleum Exporting Countries (OPEC), said he supports Shaikh Ahmed al Yamani, oil minister of Saudi Arabia, in his reported proposal of a gentlemen's agreement to restrict competition among Opec members.

At a news briefing Señor Calderon said Shaikh Yamani's proposal, based on Saudi Arabia reducing oil output by one million barrels daily and raising its oil export prices by \$4 per barrel in exchange for a freeze in Opec prices for the rest of this year, was worth considering.

"At first sight, it seems Saudi Arabia is willing to raise its price again to bring it in line with the rest of Opec members, which can be regarded as a positive development", Señor Calderon said.

If Opec prices were all brought in line the Taif conference decision on price mechanisms could be enforced. He concluded by saying that oil inventories in industrialized nations remain high and were even tending to increase owing to political factors and concern over the security of oil supplies.

Iran has slashed its oil production to less than one million barrels a day since the suspension of its crude oil shipments to Japan last month, the Yomiuri Shimbun reported.

The newspaper said Iran was now producing crude at a rate of 800,000-900,000 barrels a day, of which about 300,000 barrels is exported.

It said Iran's three times as April 21, when it meant of its oil to Japanese oil imports to pay a \$25-a-barrel cost which would be the cost to \$35 per barrel had contracted, 530,000 barrels a day to Japan, or 11 Japan's total oil.

Iran resumed production at the 2.3 a day level in May a four month suspension by the Iran in late 1978 in M production fell to 1.8 million barrels because of a strike and a work-to-Yomiuri said.

Mr Tsuyoshi member of the Research Institute Middle East, said oil output cut resulted from shut shipments to Japan States and other.

He also attributed to the failure of nations to take up exports created embargoes against west block nations.

Mr Okamoto's duction at slight the Yomiuri's domestic demand 700,000 barrels exports around a day.

"Iran will face trouble of the estimate," he said. later Iran will be exporting against AF-Dow Jones.

M E P C

Group Revenue Account for the six months ended 31st March 1980 (unaudited)

Year to 30.9.1979		Six months to 31.3.1980
51,227	Gross rental income	27,607
3,335	Other income	3,639
54,562		31,246
20,431	Property outgoing and other charges	11,423
34,131		19,823
23,992	Cost of finance	11,648
10,139		8,175
3,923	Transfer of an amount equivalent to interest and other outgoing applicable to development properties	2,220
14,062	Earnings before Taxation	10,395
5,546	Taxation (note 1)	4,134
8,516	Earnings after Taxation	6,261
222	Minority Shareholders' interests	55
8,294		6,206
68	Dividend on preference shares	34
8,226	Earnings attributable to Ordinary Shareholders	6,172
6,80p	Earnings per Ordinary Share (note 2)	3.73p
6,00p	Earnings per Ordinary Share fully diluted (note 3)	3.68p
5,00p	Dividends per Ordinary Share (note 4)	1.75p

Notes to the Group Revenue Account

1. U.K. Taxation has been provided at 32% for the six months. The taxation charge includes £347,000 in respect of overseas taxation.

2. Earnings per ordinary share have been calculated on the earnings attributable to ordinary shareholders of 26,172,000 and the 165,640,500 shares in issue at 31 March 1980.

3. Earnings per ordinary share fully diluted represent the 2% convertible unsecured 1979/80, and are calculated on adjusted 26,230,000 and 169,383,500 shares.

4. The cost of the intermediate dividend per share payable on 24 July 1980 is 2.25p.

INTERIM STATEMENT

Profit before taxation has increased to £10,395,000 in the half-year to 31 March, 1980, compared with £5,269,000 in the corresponding period in the previous financial year. This increase in pre-tax income was derived from three principal sources. These were, improved income from reversions of leases and lettings of newly developed properties, income arising from the proceeds of the Rights Issue made in June 1979 and the reduction in interest payable on the Convertible Loan Stock, the major part of which was converted in February 1980 into 27.6m ordinary shares. Overseas income was adversely affected due to the competitive strength of sterling.

Taxation at approximately 40% of pre-tax profits and the adjustment for minority interests reduced the earnings available to ordinary shareholders to £6,172,000. This is equivalent to earnings, fully diluted, of 3.7p per share (1979-2.5p). The present indication is that the earnings of the second half of this year are of the same order.

Your Board proposes to pay an interim dividend of 1.75p net per share on 24 July, 1980

(1979-1.5p), to shareholders on the close of business on 26 June, 1980. Since I last reported to you I have not made any significant extra capital investment programme, but I am being made with the major development way.

In the United Kingdom the West One, Oxford Street, development is to be completed early. Australia we have completed the last Exchange Centre, Sydney. In the USA the final phase of the Parkside Office Minneapolis, comprising 200,000 sq ft offices has been let as soon as possible and is expected to be fully let before the end of the current financial year. In the St. Stephen's Green development in Dublin the first phase of the development commenced in February and 27,000 sq ft of the total of 130,000 sq ft has been let.



GM lion is ready to roar again

Bringing back
the glory of
the forties to
Hollywood
dream factory



six years since MGM's Grand Hotel opened in Las Vegas (it also has a hotel in Reno, Nevada) the casino-hotel operations have dominated MGM's profile picture.

In Hollywood the word was that movies—once the studio's daily bread—were taking very much a back seat in overall operations.

Lured at one time production slowed to almost a trickle. In fact after the studio auctioned off many of its movie treasures—Judy Garland's red slippers from the *Wizard of Oz*, for example—and sold off some of its famous backlot or condominiums, there was talk it might go out of the film business altogether.

Even Mr Rosenfeld admits the 70s were not champagne years for the studio. "We had films that lost money—but they were not his losses," he declared. "Pictures like *That's Entertainment*, *The Godfather*, *Barbra Streisand* and *Fame* (by British director Alan Parker) have done very well at the box office."

"My recollection," he says, "is that over the past few

years the film company has contributed 48 per cent of the operating revenues, while the hotels and casinos provided 52 per cent. Why then the separation?

Over the past few years the film company never received full credit for its contributions to the company. He explained, "We were overshadowed by the hotels and casinos."

The separation marks the termination of one significant chapter in the history of MGM and signals the commencement of a new and even more promising future in which the film entertainment business and the hotel-casino business will operate their separate and independent destinies.

Already, he said, the film factory was off and running.

Planned for the next 12 months is a big budget film based on John Steinbeck's book *Cannery Row*, with Nick Nolte, Dennis Potter's *Pennies from Heaven* will become a feature picture to be directed by Herbert Ross, who made *Turning Point*. Another project is *Rich and Famous* to be produced by Jacqueline Bisset, who will also

star in it. Pictures presently being shot include the *Formula* with Marlon Brando and George C. Scott and *Clash of Titans* with Lawrence Olivier and Claire Bloom.

MGM also plans to expand television activities, including video cassette and video disc markets. And tomorrow Mr David Begelman, formerly with Columbia Studios, who according to a recent proxy statement to shareholders will become president and chief operating officer with the new MCH Film Company and will be one of the highest paid moguls in Hollywood receiving \$1.9m over a four-year period, will announce a big budget musical starring one of the world's most popular tenors, Luciano Pavarotti. It will be Mr Pavarotti's film debut, a picture likely to recall the *Marlon Lanza* era.

In Las Vegas Mr Kerkorian is expected to spend most of his time on the hotel-casino expansion plans, leaving the film company to Mr Rosenfeld and Mr Begelman.

MGM's last few years have been lean ones, admits Mr

Rosenfeld. "When word was out that we were making fewer and fewer pictures top talent agents were not coming to us first with their projects and as a result we suffered. Now we're getting right back into the first division again."

This week Mr Arthur E. Rockwell, a Security Pacific National Bank vice-president and economist, surveyed the MGM activity and said he believed that under the Begelman aegis the film company "is a very promising venture" and may ultimately outstrip its casino affiliate.

However, the transformation is not going to be without some hiccups. Late on Monday Mr Kerkorian cancelled a proposed tender offer for more of MGM Film Company stock several hours after announcing the terms of the offer. He had announced before the market opened that he would pay \$5 each for up to 1,450,000 shares of the film company. It was widely supposed that his offer would provide a floor for the price on the opening day of trading which also would be ceiling. But market events quickly made the tender offer moot.

The film company's shares never traded below \$7.875 each on Monday. It hit a peak of \$9.50 before closing at \$8.25 on a volume of 205,100 shares. MGM Grand Hotel closed at \$13.50 dollars on a volume of 91,800 shares. Both stocks are trading on a "when-issued" basis. The old MGM, representing the gaming and film assets, closed at \$21.25 on a volume of 135,700 shares.

At least two major entertainment industry securities analysts on Wall Street expressed amazement at the film company's stock activity.

Ivor Davis

Business appointments

Mr David Maitland to be chairman of Save & Prosper

Mr David Maitland, deputy chairman and managing director of Save & Prosper Group will succeed Sir Andrew Carnwath as chairman on June 25, 1980. Mr Maitland will continue as managing director jointly with Mr Christopher Messer, deputy managing director. When Mr Messer ceases to be chairman of the Unit Trust Association in 1981 he will take on the full managing director role. Sir Andrew is to retire from the board having reached the age of 70. Sir Clement Penruddock and Sir Dennis Pilcher will also retire from the board for the year.



Mr W. R. Andrews has been named by the Oxford University Press as finance director.

Mr David T. Andrews has joined the board of M.A.N. V.W. Truck & Bus.

Mr Rudi Ruisman has been appointed by Pedigree Perfection as commercial director and Mr Tony Ballant becomes marketing director.

Mr Gordon Gibby, who became managing director of Seward Baker & Co in 1977, has also been appointed chairman. Mr Leo F. Walters becomes a non-executive director from July 1, 1980.

Mr Lynn Anthony Wilson, joint managing director of Wilton (Consolidated Holdings) becomes deputy chairman.

Mr Anthony Huskinson Sykes becomes group managing director of Yorkshire Fine Woollen Spinnings. Mr Sykes will continue as managing director of the group's John Sedgwick subsidiary.

Terence David Griffiths has been appointed sales director of John Woodhead.

Mr Michael Vigners has retired from the board of Wheeler's Restaurants, Mr N. J. Newland, the secretary of the company, joins the board.

Mr M. J. Silcock has been made a partner in West, Wake, Price & Co.

Mr J. K. Rudgard, director of sales and marketing of HP Bulmer, becomes an executive director.

Mr Derek Randle, president of the Society of Pension Consultants for the past two years, has been elected president for a second term.

Mr Colin Milne of Warshaw Safety & Security has been elected chairman of the Institute of Architectural Technicians in succession to Mr Ron Sterling. Mr John Leggett of UGB-McGee becomes vice-chairman, and Mr Geoff Treverton of B. Lillie & Sons becomes honorary treasurer.

Mr Derek Stables becomes direc-

Mr David Russell (left) has been appointed director and chief executive of the Joint Credit Card Co, the central service company of the Access Credit Card scheme. Mr Russell, previously deputy chief executive, is from National Westminster Bank and succeeds Mr George Gillespie who returns to Midland Bank as a general manager. Mr Peter Constable (right) from Lloyds Bank has been appointed director and deputy chief executive.

Mr David Burdett has gone on to the boards of Gulliver and Lewis C. Edwards and Sons (Manchester). He will be the director responsible for all food manufacturing activities.

Mr Gordon E. Hall has been appointed to the newly created position of adviser to the board of Orion Bank.

Mr Asad Naeer has been re-elected chairman of the board and president of Middle East Airlines for the next three years.

Mr R. A. Fowle has joined London & Scottish Marine Oil Company as manager, exploration. Mr T. E. Stevens becomes manager, production and operations.

Mr Fowle resigned from ENOC in April this year where he held the post of director of exploration.

Mr D. Meinerzhagen, having reached retirement age, has resigned from the board of Pearson Longman.

of only eight big cars in the next decade

dealers attending the Matradex exhibition of minor management services at the National Exhibition Centre, Birmingham, he argues that production runs of three to four million cars a year will be necessary to support such huge development programmes.

He forecast that, during the next 10 years, six of Europe's smaller car makers—British Leyland, Volvo, Saab, Alfa Romeo, Seat (Spain) and BMW—will merge with or be cooperating with one of the eight worldwide groups. There will also be a single French company, a Japanese manufacturing presence in Europe, and the survival of only one or two specialist car producers such as Daewoo, Renault and Chrysler's United Kingdom

decline since 1975 left doubt as to whether the new couplings with PSA Peugeot Citroën could resurrect the renamed Talbot. A vast amount of rationalization has to take place. Prof Bhaskar says, but the diversity of interests within PSA could mean that conflicts in model policy would never be resolved. In the short run some pruning of unprofitable plant such as Talbot's British car factories might take place.

BL's drastic fall in United Kingdom market share has been further hit by the strong pound, high interest rates, and rapid inflation which meant that within a year costs had increased by more than 40 per cent compared with those of its main competitors.

Call for retirement age of women to be raised

By Patricia Tisdall
Management Correspondent

The retiring age for women should be raised to 63 and that for men lowered so that there is common level for both sexes, according to the Institute of Personnel Management.

In a report on pension parity the Institute rejects the TUC's policy of reducing the pensionable age for men to 60 as too costly and opts instead for raising the female retirement age.

It says that a woman's right to retire earlier than a man is the day's society and that such a move might not be as unpopular as is commonly supposed.

Pension parity is regarded as an essential first step towards providing a degree of flexibility on either side of a fixed normal age which is regarded as the ultimate aim by

personnel managers.

The Government is urged to procrastinate about the establishment of a common retirement age. Once it is committed to the concept the Government should commission a survey to establish what would be the most acceptable formula to the working population.

Recent attitude surveys suggest that many people would resent a lower compulsory retirement age.

In the United States, the move is towards raising the retirement age rather than lowering it. Amendments to the Age Discrimination in Employment Act which came into effect in January last year raise the age at which most American employees can be compulsorily retired from 65 to 70 years.

Minister unworried by nuclear waste

By John Huxley

Waste from nuclear power stations does not represent a unique problem and can be safely managed, Mr Norman Lamont, Under Secretary of State for Energy, affirmed yesterday.

Speaking in Manchester, he said that the problem of disposing of nuclear waste had aroused much fear. "Yet we produce many sorts of unpleasant waste in modern society, often nastier and longer-lasting than nuclear waste." Coal and chemical in-

dustrial waste contained toxins which would be around forever. Mr Lamont explained that the technology for conditioning nuclear fuel waste so that it could be safely disposed of is already well advanced. A method of converting the liquid waste into a glass solid has been developed on a pilot scale in Britain, and in France had reached semi-industrial operation.

Classified waste was safer and easier to handle and store. Actual disposal would not begin until the beginning of the next

century at the earliest, and would depend upon the results of the present research programme, now looking at the question of long-term disposal.

"Until then the waste, in glass form, will be placed in cooled stores under appropriate supervision," Mr Lamont said. "It is estimated that all the high level waste generated by the United Kingdom nuclear programme up to the year 2000 could be stored in this way in an area of less than two football pitches."

French Kier record cleared—£8 million

Group taxable profit a record at £8,266,000 (1978-£7,526,000).

Earnings per share up 24% at 10.2p (1978-8.2p).

Substantial extraordinary profit from sale of completed development.

Total dividend recommended for year (including special non-recurring dividend of 0.28p net) at 2.5p net (14.3% gross) (1978-1.925p net (11.5% gross)).

Shareholders' funds at record level of £28.0m (1978-£23.2m).

Four main operating sub-groups all traded profitably.

- * Order books maintained in mainstream business.
- * Further improvement in results of Products and Services and Property Development and Investment anticipated.
- * Reasonable outcome to Group's operations anticipated for 1980.

Highlights from the circulated statement of the Chairman, Mr J. C. S. Mott, F.I.C.E., F.I.Struct.E., for the year 1979.

YEAR'S RESULTS	1979	1978	
Group taxable profit	£8.2m	£7.5m	+10%
Earnings per share	10.2p	8.2p	+24%
Dividend per share	2.5p	1.925p	+30%
Profit retained	£4.9m	£2.7m	+81%
Shareholders' funds	£28.0m	£23.2m	+21%
Net cash position	£11.2m	£8.7m	+29%



FK
works worldwide

French Kier Holdings Limited



US Steel to lay off 3,000 more workers

US Steel's Fairfield works in Alabama, the largest and most diversified steel plant in the southern United States, is closing most of its operations by June 28 and laying off a further 3,000 employees.

The layoffs bring the total number of unemployed steelworkers from the plant to 7,000. About 4,000 workers were given notice earlier this year when the plant and wire mills were closed and production was reduced at the only operating blast furnace at the plant.

Mr Ted Stephenson, general superintendent for US Steel, said all finishing facilities and the structural mills would continue to operate leaving some 2,000 workers on the job indefinitely. The layoffs are due to a severe decline in orders.

Australian oil search

Oil exploration has started in the Gulf of Carpentaria, off Queensland. Members of the exploration group, for which Weeks Petroleum is operator, are Ultramarine Australia, Hunt, Alliance Minerals Australia NL, and Richard S. Gaddy.

More Japan reserves

Japan's foreign reserves of gold, convertible foreign currencies and special drawing rights have reached \$20,000m (£3,438.5m) for the first time in three months.

Swedish production up

Sweden's industrial production index stood at 141 in March, a six per cent gain from 133 a year earlier.

Renault parts deal

Four Renault vice-presidents from France and the purchasing director of Renault USA are to meet car parts manufacturers in Toronto to discuss buying parts from Canada.

Mitsubishi order

Mitsubishi Motors will export 1,510 vans to China, the largest order they have received from there.

EEC budgetary and lamb issues put aside as fisheries ministers meet

Clearing the decks for talks on fishing

British ministers are satisfied that bargaining about EEC fishing policy can now proceed untrammelled by parallel debates about lamb sales and the British contribution to the European budget.

Ministers believe that their successful paring of attempts by West Germany to entangle fisheries in the budgetary and agricultural talks illustrates their determination not to sacrifice the interests of fishermen in favour of those of farmers.

British fishermen, who are less numerous and less well-organized than British farmers, are always fearful that their claims on cod or haddock will readily be abandoned by the Government in EEC talks if concessions can be won on beef or butter.

Mr Peter Walker, Minister of Agriculture, Fisheries and Food, believes he has shown the fishermen that they are wrong. The arguments about the budget and lamb were concluded last week while the question of fish was left wide open.

The separation of fish from other EEC issues does not seem so clear cut on the continent. First, the Treaty of Rome says that fish is an agricultural product. Moreover, it is not of realized in Britain that the Community pricing rules which apply to pears and cauliflowers also apply to plaice and mackerel. When the green pound is devalued, there is an increase in the sterling support prices of fish as well as of farm produce.

The British defence of the butter and lamb interests of New Zealand is seen in this country as rallying to the aid of a

staunch ally. It is regarded on the continent as a crude way of avoiding the rules of the EEC by hanging on to cheap food supplies from outside instead of accepting more expensive internal ones.

The British defence of its fishing interests is seen at home as a gallant action against rapacious foreigners who are using EEC rules as a means of entering extensive fishing grounds which would otherwise be closed to them. It is seen on the continent as a campaign by Britain to compensate its fishermen for the loss of traditional fishing grounds near Iceland and in the Barents Sea, once national 200 mile maritime zones had been declared in the mid 1970s.

Britain is considered to be breaking the spirit of the EEC in fisheries as much as in agriculture. That is why Mr Walker and Mr Alick Buchanan-Smith, Minister of State at his ministry, will face hostile colleagues when they attend the Community council of fisheries ministers this week after next.

Their bargaining position is further weakened by the continuing contraction of the British trawling industry. Government figures show that the number of trawlers longer than 140ft based at Hull fell from a peak of 69 in 1973 to 34 at the end of last year.

Imports of fish through Hull rose from 6,000 tonnes to 36,000 tonnes a year in the same period. When British ministers negotiate on fish in Brussels, they represent an industry which is shrinking and disintegrated. Inshoremen resent attempts by deep-sea trawlers to compensate for the

loss of Icelandic cod by catching more English mackerel.

While trawlermen call for import controls on frozen cod, British processors insist that imports must be allowed to enter the country without restriction, as long as the homebased catching industry is unable to satisfy the consumer demand for white fish.

One result of the decline of the home trawler industry is that frozen fish pie made and packed in Denmark can be bought in British supermarkets while Norwegian fish fingers are on sale in our freezer centres. Appeals by fishermen for public support founder on the fact that to the British shopper, a British cod rectangle is indistinguishable from a Norwegian one.

Fishermen cannot establish in the minds of shoppers the difference in quality between say home-reared and imported lamb. All of that is noted abroad. It will not be long before other EEC states feel able to ask British ministers why they defend their fishing industries so strongly because they have so little to defend.

A further complication in EEC bargaining about fish is the immixture of Greek, Spanish and Portuguese membership of the Community. The three applicant states have together as many fishermen and fishing boats as the present Community of Nine. Their arrival will affect Community fishing policy as much as their olives, tomatoes, fruit and livestock will affect the Common Agricultural Policy.

Hugh Clayton

Leading bankers are worried by the high risks of international loans

From Frank Vogel

New Orleans, June 3

Commercial banks are facing mounting risks in their international lending operations. Bankers believe their problems will have to be alleviated by charging more to oil importing countries for new loans, by refraining from supplying cash to the weaker developing nations and by striving to find ways to provide greater security for the banking system.

These views have been forcefully articulated by chairmen of some of the world's largest banks at the International Monetary Conference here. But American and Swiss central bank governors suggested that this new sense of alarm might be unwarranted.

Mr David Rockefeller, chairman of the Chase Manhattan Bank, said that the volume of international bank loans rose from \$320,000m (about £138,800m) at the end of 1973 to \$1,070,000m by the end of last year.

"It is not all clear that the great bulk of bank foreign loans in recent years have supported activities that create an ample capacity to repay debt", he said.

Dr Wilfried Guth, head of the Deutsche Bank, West Germany's largest bank, said that, when looking to future developments, it might be worthwhile considering the idea of "a jointly organized private international safety net, to which individual banks could resort in case of an emergency in terms of liquidity".

Dr Guth stressed that this was merely an idea put forward to stimulate some fresh thinking and debate, and that he had not worked out a detailed plan. Nor for that matter did he envisage any new institutional arrangement for the banks, but rather some kind of informal system under which the top 20 banks could assist each other in emergencies.

Mr Robert Leigh Pemberton, chairman of National Westminster Bank, said that so far the loan loss record for most banks had been better in foreign than in domestic business. One reason was that "we are genuinely more cautious".

Many bankers argued at the conference caution was going to increase, raising fundamental questions about global financial stability.

The banks may become more

selective, and shut the loan window on central bankers. These countries will then have to turn to the International Monetary Fund for help. Mr Rockefeller pointed out that the IMF had some \$25,000m to lend, but demand for these funds was growing quickly, and problems could arise in 1981 or 1982. It was urgent that steps be taken now to boost the fund's resources.

Mr Guido Hanselmann, executive vice-president of the Union Bank of Switzerland, gave a warning that the profit margin on international loans has shrunk to dangerously low levels and there was an "urgent need for an improvement in the income picture".

Dr Guth said the oil import nations would have to pay more for their cash. But bankers noted that, as long as they received vast sums from Opec, they had to lend this money. Competition would probably continue to be so fierce that lending margins would stay small.

Calls by many of the bankers for better international debt management through closer cooperation between the banks

and the IMF met with a cool response from central bankers. "We are not in the business of bailing out the banking system," one government official said.

The central bankers pointed out that it seemed from all the alarmist warnings that the commercial bankers wanted to have it all ways: to continue lending and making good profits, and to have their risks minimized through official help.

One European central bank president said bluntly that the commercial banks were in a position to alter the situation themselves by simply forcing more direct lending by Opec and more direct IMF intervention.

The banks could insist on only two Opec deposits for longer periods and at lower interest rates. This would change things swiftly, but the bankers are just not willing to take this step. They don't want to miss any deals, even if the risks are rising.

"It is also true that they know that we central bankers will never allow a big bank to fail, so the risk for the bankers may not be as great as they say the year."

LETTERS TO THE EDITOR

Insurance service by building societies

From the Secretary-General of the Building Societies Association

Sir, Mr Dillamore suggests (May 28) that the commission obtained by building societies from insurance companies on private house buildings insurance is instrumental in keeping premium rates higher than they need be. He reflects that such commission is "at least double that which is allowed to insurance brokers". What he forgets, however, is the amount of work done by the societies in connexion with house insurance and the service given to the insurance companies. Such work is not normally undertaken by a broker.

The societies currently arrange cover on behalf of 700,000 to 800,000 home-buyers every year at virtually no business-getting cost to the insurance companies except commission and the total number of borrowers embraced by these arrangements now exceeds five million. The building society institutes the cover and arranges for completion of the proposal form. In many cases a summary of the borrower's cover is issued by the building society in lieu of an individual policy. A number of societies go further and incorporate the administrative work with the mortgage accounting procedure so that the insurance company is rarely involved in any manner whatsoever and is not even aware of the identity of the property which is being insured. Where these arrangements are in force, the society calculates the premium and collects it together with the mortgage repayments and the insurance com-

pany only enters into the picture when either an unusual type of property is involved or a claim arises.

It can thus be seen that there is a very substantial saving in the insurance company at the expense of the building society. The insurance company has, for instance, no annual renewal notice or premium collection expenses. The techniques adopted by most societies probably save the insurance companies 90 per cent of the effort and administration which would be involved in writing insurance on individual mortgages.

Insurance matters lead to a great number of inquiries which need to be dealt with by telephone or in writing or by personal interview. While this is common to all insurance agency operations, building societies are in a special relationship with borrowers both in personal terms and in relation to the risk being covered so the inquiries are dealt with in depth which can be a time-consuming business. The societies are obliged to provide within their own administration sufficient expertise to handle what is in effect nine-tenths of the total administration involved in effecting the insurance. All this has to be paid for one way or another and the method of payment is currently through the commission which is received by the society.

Yours faithfully,
NORMAN GRIGGS,
The Building Societies Association,
34 Park Street,
Mayfair,
London W1Y 3PF,
May 29.

Indexed pensions: we had them

From Lord Borden of Chichester

Sir, Few people seem to realize that indexed pensions, and their problems have been with us before. We learned about them when Mr Edward Heath suggested them less than 10 years ago, but they had been introduced in this country by King Edward I more than 700 years ago. Their status in law was defined by the great lawyers who advised the King in the year 1285. They called them Corrodies in those days.

A man could buy one for himself, or it might be given to him by the King in return for services rendered. The terms of each corrody were negotiated between the corrodian and some organization such as a town or an ecclesiastical house, which was responsible for paying him.

For the rest of his life a corrodian was entitled (let us say) to lodging, perhaps in a house of his own, to good food — perhaps from the Abbot's table — to clothing, perhaps to a palfrey, and stabling and keep for the palfrey. He might be entitled to a man servant. On his death his wife might be entitled to part or all the benefits he had received.

What better form of indexation could there be than that? The pensioner's standard of living was assured, and there wasn't any income tax to worry about.

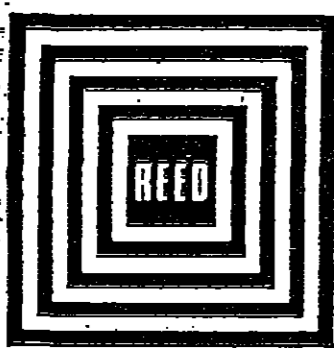
Unfortunately there weren't any reliable actuarial life tables in those days, and clerics, men who needed funds to build a church often sold corrodies too cheaply. About 600 years ago an Abbot in Leicester

wrote to explain that "for ever a space". At that this habit ever draw my i

When K solved the commission the old cor some of d some genes

It was : and it last drew years new, under

Yours sinc VIVIAN B Pine Croft, 5 Stanhope Bowdon, Altrincham Cheshire W May 29.



REED INTERNATIONAL LIMITED

Preliminary Results for Year Ended 31st March 1980

Trading Results

Despite growing signs of world recession demand for the Group's products and services was strong for most of the year but pressure on margins was severe.

Results in Europe and North America were particularly encouraging and more than compensated for the loss of trading profit following divestments overseas in the last two years.

Exceptional costs and provisions for rationalisation charged against trading profit for the year totalled £12 million (1979: £13 million). No extraordinary items were reported (1979: £10 million loss).

Geographical Areas	1980		1979	
	Total Sales	Trading Profit	Total Sales	Trading Profit
United Kingdom	1,287	69.2	1,135	73.6
Europe	157	9.7	181	3.8
North America	250	30.1	300	14.3
Rest of World	26	(2.3)	191	15.1
	1,720	106.7	1,807	106.8

After three years of restructuring and divestment of activities not in the mainstream of the business, the Group is now based on three main product areas — paper and packaging; publishing and printing; building and home improvements.

Following the sale in November 1979 of the pulp and paper operation at Dryden, Ontario for £36 million, the principal business of Reed Paper in Canada is now the successful newsprint mill in Quebec.

All manufacturing subsidiaries in Australia and South Africa have been sold and the Company's only continuing direct involvement in these countries is in publishing.

Capital expenditure increased from £48 million to £55 million. The Kiver publishing operation was acquired in the USA and agreement has been reached to purchase the outstanding shares in London and Provincial Posters in the UK.

Publishing, packaging, building products and paint all performed well. UK paper-making margins were seriously restricted by the continued escalation of energy costs and sterling. Wall-coverings continued to suffer from excess world capacity and the UK business is undergoing a major restructuring programme.

Product Areas	1980		1979	
	Total Sales	Trading Profit	Total Sales	Trading Profit
Paper and Packaging	744	61.9	896	56.2
Publishing and Printing:				
Publishing	339	27.9	341	30.8
Newspapers	186	6.3	165	10.0
Building and Home Improvements:				
Decorative Products	260	0.7	267	3.7
Building Products	121	9.9	138	6.1
	1,720	106.7	1,807	106.8

Finance

Net debt fell from £226 million to £115 million reducing the debt/equity ratio from 80% to 34%. Cash from the divestment programme has been used both to reduce long-term debt and to maintain a strong cash holding for maximum flexibility. The related fall in interest charges from £29 million to £11 million contributed significantly to the improvement in pre-tax profit for the year.

Exchange losses for the year were £2 million compared with £10 million last year.

Taxation

The effective rate of UK taxation on pre-tax profit was 26% compared with 41% last year. The main reasons for the reduction were the impact of a higher level of capital expenditure and of higher stock relief on values increased by inflation. Overseas the return to substantial levels of profit and the use of accumulated tax losses in North America, reduced the rate to 18% from 49%. As a consequence the effective rate of tax has fallen from 44% to 24% of consolidated pre-tax profit.

Earnings and Dividends

Results in brief are:

	1980		1979	
£m	CCA	Historic	CCA	Historic
Sales (external only)	1,516	1,516	1,611	1,611
Trading Profit	50	107	53	107
Profit before Tax	55	100	45	83
Profit attributable to Shareholders	30	75	6	43
Total Funds Employed	845	729	914	766
Earnings per Share	27p	67p	5p	38p
Dividends per Share	13p	13p	8p	8p

Having taken account of the progress made with the restructuring of the Group and the improvement achieved in earnings in both historic and current cost terms, the Board has decided to recommend a final dividend of 9p per share. Together with the interim of 4p already paid the proposed final dividend will make a total of 13p per ordinary share for the year compared with the 8p paid last year.

Subject to approval at the Annual General Meeting, which will be held on 30 July 1980, the final dividend will be paid on 12 August 1980 to Shareholders on the register on 1 July 1980.

Consolidation of Overseas Results

The 1980 results are for 52 weeks to 31 March 1980 both for the UK and overseas. The comparative figures for 1979 include overseas results for the year to 31 December 1978. Overseas results for January to March 1979 were: Sales £94 million and Profit attributable to Shareholders £4 million.

PRELIMINARY CONSOLIDATED PROFIT STATEMENT for the year ended 31 March 1980

	1980
£	
SALES	1516.7
United Kingdom and Exports	1120.2
Overseas	396.5
TRADING PROFIT	106.7
SHARE OF PROFITS OF ASSOCIATED COMPANIES	3.7
OPERATING PROFIT	110.4
United Kingdom	71.4
Overseas	39.0
INTEREST	(10.5)
PROFIT BEFORE TAXATION	99.9
TAXATION	(23.8)
United Kingdom	(18.4)
Overseas	(7.4)
PROFIT AFTER TAXATION	76.1
OUTSIDE SHAREHOLDERS' INTERESTS	(1.4)
PROFIT ATTRIBUTABLE TO SHAREHOLDERS BEFORE EXTRAORDINARY ITEMS	74.7
EXTRAORDINARY ITEMS	—
PROFIT AFTER TAX AND EXTRAORDINARY ITEMS	74.7
DIVIDENDS paid and proposed	—
Preference	0.2
Ordinary 1980 13p per share (1979 8p per share)	14.5
PROFIT RETAINED	60.0
EARNINGS PER SHARE BEFORE EXTRAORDINARY ITEMS	66.7

CONSOLIDATED BALANCE SHEET (unaudited) 1980

	£m
FUNDS INVESTED	
Shareholders' Funds	485
Outside Shareholders' Interest	18
Loan Capital	216
	729
FUNDS EMPLOYED	
Properties and Plant	229
Investments	27
Goodwill	160
Working Capital	212
Net Cash Deposits	101
	729

BY THE FINANCIAL EDITOR

Financial markets in a quandary

Markets are finding it increasingly difficult to chart the way ahead. After last week's unexpected long rap and this month's calls on two stocks, the gilt-edged market has been frayed.

Prime Minister's remarks yesterday that the reduction in Britain's contribution would be used to 3R and so provide the scope for interest rates gave the market to get its teeth into with rises of point at both the long and short end.

ough the Prime Minister's comments of ministerial pronouncements criteria needed for a cut in 25, all of which are now more or less being met all this still seems a little overshooting the mark and with only modest gilt on there are forecasts that the supply figures will be looking y where the improved trends. The EEC cuts will also take to work through and money still on the tight side.

airly steady decline for the last o its lowest level this year, naged a 7.3 point rally with the 3ing at 420. But the pick-up was mical, encouraged by the im- in gilts, and the market is tal-ces about claiming to see the ecation. Meanwhile, yesterday's porate news contained none of stories that have undermined recent weeks.

national recovery

market was more than prepared to forgive Reed International iling to meet outside estimates profits up £16.5m to £99.9m.

s jumped 13p to 177p, helped birds dividend increase which return to the 1977 level, further w-found balance-sheet strength at the five-week IPC dispute se to settlement.

el a yield of 10.5 per cent with twice covered under CCA and rising to just over 4 fully-taxed particularly demanding.

s recovery from the dark days now reached its peak. With down to £115m or 34 per cent ers funds and cash in hand of Reed has more flexibility than out the forthcoming recession. not stop profits running back-ear and real progress could be by in 1981.

a particularly strong perform- the Quebec newspaper mill, ntally, Reed now seems con- North American trading pro- in doubled to £30.1m last year. advantage from the Canadian tress is unlikely to last foreve- ion is building up.

where trading profits last time to £69m prospects are hardly kaging, building products and l holding up well, but United per-making is suffering badly, group still has problems in

wspaper front profits last time £10m to £6.3m reflecting the technology problems particu- Daily Mirror, while in publish- profits slipped from £36.8m to venue outlook must be getting the day.

profits from De La Rue make ng. Pre-tax profits, at £36.5m, 4 per cent up on the depressed preceding year, notwithstanding f a strong pound which cost it f a decision to buy-back a icks as part of a reorganization erica (another £2m).

Work pushed forward from the year before may have had something to do with the improvement, but not much: basically it was a matter of higher sales (up 32.3 per cent), a reduction in the money handling systems' losses (unquantified), and a strong cash flow (net interest receipts rose from £1.92m to £3.6m).

De La Rue is now piling up cash—offshore—but will not use it until it can get a rate of return to justify the loss of interest. This apart, however, the shares are an attractive inflation hedge. Even on a fully-taxed basis, CCA profits cover last year's dividend (excluding the special interim, which strictly speaking belongs to the preceding year) almost 1.7 times.

Moreover, some 75 per cent of sales are made abroad. And finally, rising prices cannot be had for a company that makes its money printing bank notes. Even at 645p, up 20p yesterday for a yield of 4.4 per cent, the shares are a buy.

Thomas W Ward yesterday produced results which buck the trend of manufacturing industry. Pre-tax profits are up by 17.5 per cent at £126m, slightly below the rate of inflation but nevertheless a good deal better than could have been expected given the steel strike and the problems of the engineering industry. But Ward is nowadays mainly a cement and scrap metals group with interests in engineering and motor dealing.

Not surprisingly, profits from the scrap division plummeted from £21m to £342,000. Although there should be an element of recovery in the second half reduced demand from British Steel and the need to export into a strong pound make the outlook uncertain.

Harrisons & Crosfield

Waiting on acquisitions

At £58.4m, Harrisons & Crosfield's pretax profits for 1979 are £6m up and much in line with market forecasts. But the sharp rise in turnover from £546m to £639m reflects the variability of its business.

While plantations, chemicals and timber all recorded good rises, the real increase, as in 1978, was the £50m extra from general trading, taking that division's contribution over £300m, almost half the total.

Still, operating profits of £60.7m, up £1m from general trading point to the low margins. And plantations remain the heart of the group, with operating profits up about £2m to £29.5m on the back of strong rubber and palm oil prices, although very weak cocoa offset some gains. After a poor showing in 1978, timber came through well, as higher prices and the inclusion of a wider range of building materials pushed operating profits up from £6.58m to £11.1m.

The steady performance from plantations and trading was counterbalanced, however, by higher interest charges, exchange losses, and some irrecoverable A.C.T. interest payments of £5.45m against £1.95m were largely the result of acquisitions, pushing up borrowings steeply from £13.8m to £36.6m.

Even so these acquisitions brought with them tax losses, and when set against United Kingdom tax, Harrisons was left almost without a tax charge and therefore technically liable to £4.44m of A.C.T. Under previous conventions, however, most of this would have been recoverable.

With timber, rubber and palm oil prices looking firm, and a full year's income from acquisitions, especially the United States chemical interests, Harrisons & Crosfield has scope for earnings growth. The final dividend of 29.3p gross gives 40p gross for the year, up 15.3 per cent. But on a yield of 5.6 per cent and a p/e of 12.2 at 712p the shares look fully valued.

Andrew Goodrick-Clarke describes the problems that have hampered the group

Which way now for Vickers?

Vickers spent twenty years after the last war extricating itself from a dependence on armaments and its associated heavy engineering interests. And it nearly went bankrupt in the process.

Today, as its annual report makes clear, it faces a different kind of crisis, this time not of its own making. Vickers has still to be properly compensated for the nationalization of its shipbuilding and aircraft assets three years ago. Until it is, the company will remain hobbled.

When Sir Peter Matthews, the present chairman, took over as chief executive of Vickers in 1970 as part of a new management team brought in under pressure from the institutions, the group was in deep trouble. It was clear that while the military management which had ruled since the war (Vickers was renowned for employing ex-forces people in senior positions) had struggled hard to shift the emphasis of the business and had, indeed, identified a number of light engineering areas through which this might be achieved, it had failed.

The task had been enormous. During the war, for example, Vickers employed 170,000 at its peak (today only 24,000); the company had been lured into a heavy, an expensive and ultimately ill-fated venture in tractor manufacturing just after the war; and the business had been distorted by the nationalization of English Steel, its re-purchase by Vickers and Cammell Laird and then its re-nationalization in the second world war.

By 1970 then the game was up for the traditional Vickers management and the company's institutional shareholders, led by Lord Keith of Hill Samuel, were only concerned that they might have left their pressure to bring about changes too late.

They need not have worried. Under a new chairman, Lord Roberts (whose capture after his period at the National Coal Board was considered rightly to be a coup) and with Sir Peter, from Stewarts and Lloyds, as chief executive, Vickers was stabilized and profits taken to a peak of nearly £40m by the mid-1970s.

Their basic strategy remained the same as that laid down by the previous management—the development of and addition to Vickers' light engineering businesses, such as office equipment, lithographic printing machinery and medical engineering, with an aim of achieving a return on capital of around 15 per cent on these newer activities.

Vital asset

Matthews' management ploughed ahead, though it was distracted during the early days by the asset strippers. Slater, Walker was a rumoured bidder, while the industrial establishment's least favourite entrepreneur, Mr David Rowlands, still in his mid-twenties then and secretive and ambitious to boot, tried what looked very much like a "warehousing" operation on Vickers.

In overcoming this and retaining Vickers' decent profits, however, the Matthews management still had the one great Vickers asset—it remained a major producer of armaments and a profitable one, too, through its investment in the British Aircraft Corporation (finally 50 per cent) and its advanced and efficient warship building facilities at Barrow-in-Furness.

These two substantial investments underpinned Vickers at a time of stress and later provided the room for manoeuvre which enabled the group to have a more flexible approach towards its developing light engineering businesses.

And in some areas success was considerable. Ronco Vickers was created into a substantial manufacturer of office machinery and systems; a diverse range of general engineering companies provided steadily growing profits; Howson-Algraphy became a leader, and an extremely profitable one, in lithographic printing equipment and the push into medical engineering began to look promising.

Moreover, Vickers was still a name to conjure with. Founded in Sheffield in 1827 and a great armaments producer during both world wars (if Germany had Krupp, Britain had Vickers), it was a name that carried the seventies' cache and the position of a gun maker.

It was important since in the public's eyes—and more significantly in the eyes of investors—Vickers held on to a status that was not really merited. Its performance, even in the mid-1970s, had never been more than that expected from a group of this size and all too often it had been downright indifferent or dreadful, just as has been the case in the inter-war years when Vickers had also been subjected to a shareholders' revolt.

Today the power of Vickers is more apparent than real and the irony is that the serious decline during the past three

years has been caused by the final loss of its position as an important armaments manufacturer. The last nationalization round three years ago put Vickers shipyard at Barrow and its associated engineering interests in that town and its stake in BAC into state ownership.

That would have been bad enough, but it has still not settled compensation terms with the Government.

Huge impact

The impact has been enormous. Not only has Vickers lost good earnings (the shipyard was, and is, extremely profitable, while BAC has been capitalizing on a number of long-term projects during the past few years and reaping the profits), but perhaps more serious is that Vickers has been financially immobilized by the lack of compensation. Only £35m of what could turn out to be as much as £100m has so far been received on account.

It borrowed quite heavily on a "bridging" basis at about the time of the shipyard and is now saddled with heavy debt, but it is still waiting for the bulk of the compensation money which will restore the balance to health. On shipbuilding there seems to be a fair chance of settlement without going to arbitration; on BAC, where Vickers was the joint owner with General Electric Company, this is less the case. The Government is expecting to receive the Government's final offer any day.

So, unable to go to the financial markets for funds because of the uncertainty of compensation, Vickers will see profits continuing to collapse in

front of a major engineering recession (profits were a third down last year in only £7.3m). Vickers is on the rack, disoriented and unsure of itself.

The pressures are beginning to show. Last month its new chief executive, Dr Bill Willetts, resigned for personal reasons after only four months in the job; Vickers has decided to opt out of business machines, which represents about half its office equipment interests, and is negotiating to sell them to the French CIT-Alcatel group on the basis that at this stage Vickers cannot start to build up the necessary expertise in electronic systems.

For the moment, then, this is one giant of British engineering that appears to have lost its raison d'être. There is talk of it being a classical case for demerger, something which the Government is about to make easier.

Vickers may have other ideas, however—once the compensation cash comes. Sir Peter talks ambitiously about strategic takeovers and also about the possibility of strategic mergers, which it should be able to negotiate from a position of relative financial strength.

Clearly, something has to happen. Vickers returns only 3 per cent on capital. Interest rates are perilously high for companies with heavy borrowings. Exports are increasingly uncompetitive or unprofitable against a high sterling rate.

The engineering industry is unquestionably diving into recession, or worse. For present Vickers seems calmly optimistic about immediate trading prospects, but no one denies that a compensation settlement is now becoming urgent.

Oil: learning to live with uncertainty

Nicholas Hirst

Six months ago there seemed every chance that some order would have returned by now to international oil markets. Supplies seemed to be growing more plentiful, demand looked set to fall with recession, stocks throughout the world were rising to record levels, prices asked by producer governments were expected to stabilize and some were predicted to fall.

Events have turned out differently. Oil supplies have become more plentiful, but a continuing change in the pattern of supply away from the multinational companies in favour of smaller independents and government to government deals, coupled with increased uncertainty over the future availability of oil, has allowed prices to go on rising.

Saudi Arabia which put up the cost of a barrel by \$5 to \$24 before the December meeting of the Organization of Petroleum Exporting Countries in Caracas in an attempt to unify prices has introduced two increases since then, both of \$2 a barrel. But the fall in the other Opec members have followed suit. As a result, Saudi Arabia's crude remains the cheapest on the market.

The Russian invasion of Afghanistan and the instability of Iran still create nervousness in the West. Stocks are high when they could be used to force prices down. The fear remains of a political explosion in the Middle East, which could shut off 40 per cent of the non-communist world's supplies overnight.

Opec meets again in Algiers next week with no certainty whatsoever that it can return to the unified price structure that existed before the fall of the Shah triggered off the spate of rises which has more than doubled the price of oil in the last 18 months.

Saudi Arabia is prepared to try for unity once again. Shaikh Ahmed Zaki Yamani, its oil minister, believes that a small glut will develop as the summer progresses. It is producing one million barrels a day more than it wishes to produce over the longer term and is expected to bargain a cut in its production for a return to unity.

Shaikh Yamani remains convinced that a return to unity is essential if price falls are to be avoided as the recession in the West and Japan will fall in demand gathers pace. His view, however, may not be the one that prevails. Opec prices now vary by more than \$10 a barrel, with Saudi Arabia at the bottom and the North African producers, Libya, Algeria and Nigeria, at the top.

If the Algiers meeting results in a further free-for-all, there can be no guarantee that a fall will occur. Multinationals have shown some resistance to the highest prices being asked, but they are still anxious about long-term supplies.

Agreement on pricing unity would bring back some much needed stability to the oil market. The psychological effect is important. As long as producers cannot charge what they like, the worry is that prices will continually leapfrog one another.

But if there is continuing fear and uncertainty over oil supplies that uncertainty has itself had one profoundly beneficial effect. It has resulted in a more fundamental reappraisal of future energy supplies within the West than has ever been made before. It seems that a real change has occurred in the relationship between energy usage and economic growth.

Cutbacks in production by Kuwait, Iran, the United Arab Emirates, Venezuela, Indonesia and Qatar have convinced western governments that it is unlikely that Opec will ever again produce the 30 million barrels a day seen in 1979. According to the International Energy Agency this means that

on projected growth rates there would be a shortage of between 1.6 million and 3.0 million barrels a day by 1985 and between 5 million and 8 million barrels a day by 1990. If potential demand is greater than supply either prices will rise sharply again or growth will be curtailed, or both.

The impact of oil price rises on western economies is marked. In 1980 import bills for oil are expected to take up an average 3.8 per cent of gross domestic product of IEA member countries compared with 2.8 per cent in 1978 and a mere 1.2 per cent in 1973.

In the decade before the first oil crisis of 1973/74 western economies had an average annual economic growth rate of 5 per cent, inflation of 4.3 per cent and unemployment of 3 per cent. Between 1973 and 1979 economic growth was 3.4 per cent, inflation 6.1 per cent and unemployment 5 per cent. If not the sole factor, oil price rises must take a share of the blame.

The response has been a reduction in the rate of growth of energy consumption. Be-

tween 1973 and 1978 energy growth was only 0.8 per cent a year. Per unit of gross domestic product, energy use fell by almost 7 per cent and oil by almost 9 per cent.

But there were differences in the pattern of energy saving, country by country and in 1978 dependence on imported oil throughout the West as a proportion of total energy requirements had been reduced only fractionally from 35 to 34 per cent.

The culprit has been the United States. Overall energy conservation in the United States has been greater than oil saving as a result of a switch from natural gas to oil. Dependence on imported oil in the United States rose from 14.9 per cent in 1973 to 22.7 per cent of energy requirements in 1977, before declining to 20.6 per cent in 1979.

The reasons have been described many times. A misunderstanding by the American people that its own oil reserves were declining. A reliance on vastly increased production in Saudi Arabia, which will not now materialize. Controls on oil and gas prices. The list is almost endless.

As imports rose to 8.6 million barrels a day in 1977 as world prices were falling in real

terms and the will to conserve throughout the West was weakening. But the shock of the events of the summer of last year appear to have been taken to heart. The long queues for petrol, soaring oil prices, and spreading throughout the United States, forced consumption down and seem to have kept it there.

America, the greediest energy in the world, has reversed the trend of using more and more oil. To May 9 this year oil imports were 7.311 million barrels a day compared with 8.316 million barrels a day during the same period last year. Total supply fell from 18,939,000 barrels a day to 18,182,000. The winter has been mild but even recent monthly comparisons show that the downward trend continues.

The West is learning to live with less imported oil, but it has taken two price jolts to do it. The hesitation in the will of oil countries to conserve as supplies and prices eased in 1976/77 remains an unhappy omen for the future.

Opec meets next week with a West that may at last be coming to terms with living with no increase in supplies. Its reaction is unpredictable. But any relaxation of the West's determination to reduce its dependence will inevitably lead to further rises.

Business Diary: Change of flight plan? • Olympic flames

z, the Secretary Trade, about to be ister to overturn the Civil Aviation airline routes? addition demands no". Though the has sometimes re-hearing, it has the CAA's decision should fly where s a growing feeling is in the air s year the CAA British Airways London-Hongkong awarding British s right to com- ute. This caused e colony where ic, part of the had been granted sion to fly the identically expected p from London. CAA rebuffed airline put in the to Nott.

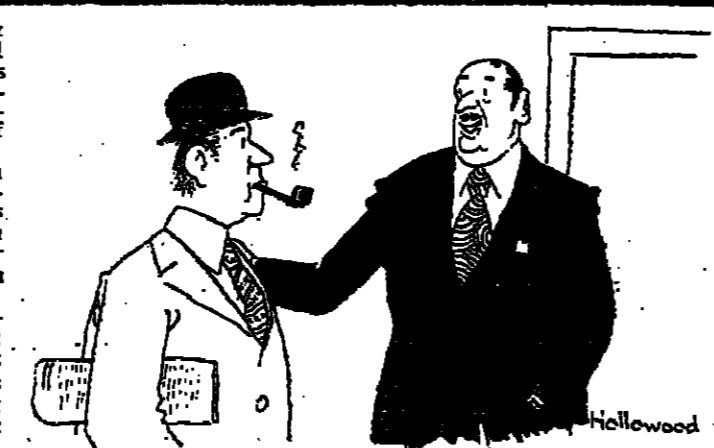
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"In the Stock Exchange raffle to find the date of the next pay freeze I've been lucky enough to draw March 3, 1981, and I'm prepared to sell you a third of my expected winnings for £50. What do you say?"

Those with reservations about the public school system will see them reinforced by the latest insurance scheme put out under the seal of approval of the Independent Schools Joint Council.

"Insanity to mutilation and death covered by new students' personal accident scheme for £1.50 a term", trumpets the press release announcing the plan dreamed up by Holmwoods & Back & Mawson (Schools), offshoot of merchant bankers Brown Shipley & Co.

It gets worse. "For £1.50 a term parents can now insure their 'student sons and daughters' for £10,000 in the event of an accident leading to incurable insanity!" the firm boasts.

And I thought the film *If* was supposed to be fantasy.

Norman St John Stevas, the Minister for the Arts, will doubtless be delighted to learn that British Petroleum is using some of its vast windfall profits to support those whose normal use for oils is to slap them on canvas.

From June 9 to June 20 its international headquarters in Moor Lane in the City will display paintings from the Royal Academy's Business Art Galleries in what is being described as an 'important collaboration between industry and the art world'.

Artists such as Henry Moore, David Hockney and Elisabeth Frink will be on show along with a selection of works from younger and lesser known painters. All the works are for sale—not, one hopes, at prices that only BP can afford.

Mercedes-Benz must be pretty confident about their cars. Their latest advertising campaign uses the potentially ambiguous slogan "Once you've driven one, you're unlikely to drive another. Come to think of it, I can name a few other car companies that could use the same slogan, though not in quite the same sense."

David Hewson

Whatever the rights and wrongs of trade in English and French Golden Delicious apples ("respectively" some might add), business is bobbing along nicely for Brittany Ferries. Add it is due largely to the efforts of British exporters.

The company, set up six years ago by Alexis Gouverneur and his fellow French farmers to ensure that housewives were not deprived of artichokes and other Breton produce, announced yesterday that it is introducing a new freighter, the Faraday, on its Portsmouth-St Malo run.

It will cope with an expected increase in freight vehicles from 24,000 in 1979 to more than 29,000 this year.

Only a few days ago, Brittany announced the introduction of a new freighter, the Breizh-Izel, for the link between Plymouth and Santander.

The company says that more than 60 per cent of the increase in traffic has come from the British side. In part, freight operators are seeking a quick route to the south of France or Spain, which allows the driver to get closer to his destination without using up valuable man-hours.

Bass Limited

Interim Statement

For the 28 weeks ended 12th April, 1980

	28 weeks to 12.4.80	28 weeks to 14.4.79 (adjusted)	Year to 30.9.79
	£ millions	£ millions	£ millions
Sales to customers	662.8	588.6	1,134.3
Trading profit after charging or crediting items in Note 4	58.7	50.0	121.5
Cost of borrowing	8.6	5.7	9.9
Profit before taxation	50.1	44.3	111.6
United Kingdom and overseas taxation (Note 5)	15.0	8.9	22.3
Profit after taxation	35.1	35.4	89.3
Attributable to outside shareholders	0.4	0.2	0.7
Preference dividends	0.2	0.2	0.3
Earnings available for ordinary shareholders	34.5	35.0	88.3
Ordinary dividends paid and proposed	6.4	5.8	21.7
Retained earnings	28.1	29.2	66.6
Ordinary dividends paid and proposed - p/share	2.3p	2.1p	7.8p
Earnings per ordinary share (Note 7)	12.3p	12.6p	31.8p

NOTES:

- Beer and soft drinks sales have shown a satisfactory growth in the first half of the financial year but those for hotels, wines and spirits were below expectations.
- The provision for the Employee Share Ownership Scheme is 3% of profits before the provision and taxation, plus 5% of the increase over each profit in the corresponding period last year.
- The comparative figures have been adjusted to take account of:-
 - A charge in respect of the Employee Share Ownership Scheme of 3% of profit before the provision and taxation, which was provided for the first time in the last published accounts
 - The actual effective rate of taxation for the year to 30.9.79.
- The following amounts have been charged/(credited) to arrive at the trading profit.

	12.4.80	14.4.79	30.9.79
	£m	£m	£m
Employee share scheme	1.9	1.4	3.4
Depreciation	19.6	16.0	30.3
Fire of plant and machinery	4.4	4.7	7.1
Surplus on disposal of property and investments	(3.2)	(3.2)	(7.7)

5. Taxation has been provided at 30% (1979 adjusted to 20%) of profits before taxation.

6. An interim dividend of 2.3p per share (2.1p on the ordinary shares) will be paid on 16th July 1980.

7. Earnings per ordinary share are calculated by dividing the earnings available for ordinary shareholders (£34.5m (£35.0m) by 279.5m (£271.5m) ordinary shares of 25p in issue at the close of the period.

8. During the 28-week period ended 12th April, 1980 capital expenditure was incurred on:-

	12.4.80	14.4.79	30.9.79
	£m	£m	£m
Fixed assets	54.8	38.3	102.8
Loans to customers (net)	6.6	4.8	8.2

9. The above interim figures have not been audited.



Broadly based advance for De La Rue

Satisfactory rate of growth and improved profitability.

Outlook:

'Although it must be expected that margins in the UK will come under pressure, the Group will benefit from the spread of its operations and associated companies overseas and is well placed to preserve both its financial strength and its position in its various markets.'

Sir Arthur Norman, KBE., DFC., Chairman.

SECURITY Thomas De La Rue

Production of banknotes and travellers cheques recovered to more normal levels. Whilst it would be idle to pretend that uncontrollable and frequently unforeseeable events in a number of countries do not represent a continuing hazard, the order book at the start of the new financial year is in good condition.

Although UK Security/Systems Print business was dull, the equivalent operations in Brazil and Colombia did extremely well and the General Services side had a very successful year.

De La Rue Systems

A year of hard struggle and of further substantial investment in product developments. Turnover increased by 38% and there are very real prospects of a positive result in the current year.

During a year in which industrial unrest, rising unemployment and inflation were rarely out of the headlines, the people of De La Rue worked hard and effectively overall.

But the relentless increase in costs in this country must, if it continues, seriously affect the competitiveness of the Company in its international markets. It is a trend which, in the interests both of the people who work in the business and of those who invest in it, cannot be allowed to continue.

Results for the year to 31st March 1980.			
	1980	1979	
Sales:			
UK	39,850	30,454	
Export	50,161	67,370	
Overseas	28,507	21,992	
	158,518	119,816	
Trading profit before interest (Note 1)	26,829	19,671	
Interest receivable less payable	3,550	1,922	
Trading profit	30,379	21,593	
Share of profits of associated companies	6,160	5,010	
Profit before taxation	36,539	26,603	
Taxation	12,963	6,545	
Profit after taxation	23,576	20,058	
Minority interests	625	300	
Profit attributable to The De La Rue Company Limited, before extraordinary items	22,951	19,558	
Extraordinary items	(1,576)	(400)	
	21,375	19,158	
Dividends			
Retained earnings	9,149	4,343	
	12,226	14,815	
Earnings per Ordinary share (before extraordinary items)	60.3p	51.3p	
Trading profit as a percentage of sales	19.2%	18.0%	
Proposed final dividend 13.2p net per share (1979 - 11.6p) including special interim paid Aug. 79.			

Note 1. Trading Profit: This has been reduced by the sum of £2 million representing the unrealised profits on goods sold to an overseas distributor during the year and included in stocks repurchased by the Company as a result of the termination of the distributorship agreement on 11th April 1980.

Copies of the Preliminary Results and Chairman's Statement are available from the Secretary, De La Rue House, Burlington Gardens, London W1A 1JL.

Security Express

Further substantial advance in profit with both Cash-in-Transit and Courier operations making good contributions.

CROSFIELD ELECTRONICS

The Division maintained its position as the Group's growth leader, increasing turnover by 35%. Although prospects are bound to be affected by the external strength of sterling and the degree of world economic recession, the order book is reasonably satisfactory and the Company is confident of being able to show future progress.

ASSOCIATED COMPANIES

The Nigerian Security Printing & Minting Company has continued to provide excellent service and De La Rue Giori also had a very satisfactory year.

FINANCIAL NEWS

Stock markets

Gilts lead scramble for bargains

Market sentiment took a turn for the better yesterday, as technical rally which had threatened to go so long so suddenly materialized. But dealers were still not satisfied with the general level of trade, which was patchy with buyers proving highly selective. However, it was still an improvement over the last account, which saw the market tumble continuously for close on two weeks.

The real feature of the day came in gilts after hours, as buyers clamoring to pick up bargains on the back of Mrs Thatcher's statement during Prime Minister's question time. The market was quick to swallow the rewards of a cut in the contribution to the EEC next year.

These, the Prime Minister outlined, might include a cut in MLR, and although this was later denied by the Treasury, buyers were not going to be put off. Prices at the long end showed some substantial gains, despite the fall in sterling, closing between 53 and a £1 better. At the short end, the rejection of a cut in MLR also made little difference, with most closing at the top at around 51 higher.

This also provided a further fillip to gilts which had shown some signs of flagging at the close. So after retreating to a 6.6 rise at 3 pm, the FT Index closed at the high point for the day up 7.3 at 420.0.

But with the Derby taking place today, jobbers were not anticipating much of a follow through in the rally when trading resumes this morning.

Leading industrials enjoyed a fairly quiet day's trading, as investors finally gave a vote of confidence to the recent figures from some of the majors. Beesbams was a case in point, rising 6p to 120p, while Reed International, celebrating the reinstatement of the IPC journalists and some better than expected profits, rose 13p to 177p.

Others to benefit from the rally included ICI, 10p to 350p, Glaxo, 8p to 134p Unilever, 9p to 22p.

Shares of Dundonian, the Scottish crematorium group, continued to benefit from the offer for sale of shares in South Western Consolidated Mines, rising 6p to 82p.

A bullish outlook on the affairs of European Ferries made for a 51p lift at 143p, with Hall Bros jumping 10p to 185p. Buyers also took a keen interest in Milford Docks, up 8p to 131p, Derek Crouch 15p to 133p, Letraset 6p to 114p, Wilkinson Match 7p to 120p, and Oakley Printing, 2p to 24p.

A bullish annual meeting also saw Francis Industries collect a 2p rise at 60p, with a bid denial knocking 6p from Rush & Tompkins at 202p.

Oils enjoyed another busy session. Jobbers reported a fair turnover with second liners again attracting strong support. Most of the buying was taken up by London buyers hoping to pick up the odd bargain. By the close, prices were just a shade off the top after an earlier bout of profit taking which had been mostly soaked up.

In the majors, Ultramar softened 2p to 354p as BP at

interim figures tomorrow, climbing 7p to 150p, as Comet Radiovision, reporting developed last-minute nerves, sliding 3p to 71p along with J. Beales, reporting on Friday, 3p to 22p.

In foods, Sainsbury's annual report and property revaluation, boosted the shares 11p to 356p, while recent comment added 12p to Bernard Matthews at 187. Fitch Lovell was another to receive support, edging up 3p to 69p.

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to regain some of the lost in the last account. Rascal hardened 3p to 415p, National West 8p to 331p with Mid 325p and Lloyds at 285p 7p stronger.

Equity turnover on J was £93.999m (14,874 bai Active stocks yesterday, ing to the Exchange Tel were: ICI, European Bank, Barclay's, Ma Spencer, BP, Premier, Associated Dairies, B. BET, Cadbury, Sch Debenhams, GEC and L

Latest results

Company	Sales	Profits	Earnings	Div	Pay	Year's
Int or Fin	£m	£m	per share	pence	date	total
Atkins Bros. (F)	11.6 (11.1)	0.50 (0.70)	—	2.9 (4.6)	—	—
Cy of Dublin Bk (I)	—	0.37 (0.42)	2.48 (2.62)	0.87 (0.87)	1/8	—
De La Rue (F)	158.5 (119.8)	36.5 (26.6)	60.3 (51.3)	13.2 (7.5)	15/8	24.0 (11.37)
H. & Crossfield (F)	38.2 (52.8)	58.4 (37.7)	20.5 (17.5)	28.0 (24.0)	28/8	28.0 (24.0)
MEPC (I)	27.6 (24.4)	10.4 (6.27)	3.73 (3.30)	1.75 (1.5)	—	5.0 (—)
Parkland Text (F)	35.5 (31.8)	1.36 (2.57)	13.0 (31.0)	2.1 (1.86)	10/7	3.7 (3.3)
Reed Int. (F)	1.516 (1.510)	99.9 (83.4)	66.7 (38.0)	9.0 (5.0)	12/8	13.0 (8.0)
Save & Prosper (I)	35.5 (29.4)	0.54 (0.44)	—	—	—	—
Scoteros (F)	35.5 (29.4)	2.17 (1.46)	23.6 (21.2)	3.10 (2.72)	—	5.06 (3.66)
Sketchley (F)	51.7 (41.0)	5.74 (4.94)	38.4 (28.8)	5.2 (3.29)	27/6	8.0 (5.49)
Transport Prof (F)	2.0 (1.9)	1.0 (1.0)	—	3.7 (3.6)	—	—
T. W. Ward (I)	154.8 (132.2)	7.26 (6.17)	9.5 (8.9)	3.43 (2.99)	—	—

Dividends in this table are shown net of tax on pence per share. Elsewhere in Business News dividends are shown on a gross basis. To establish gross multiply net dividend by 1.428. Profits are shown pretax and earnings are net. * = Irish pounds † = Income and pretax income ‡ = Including special interim of 4.2p.

MEPC sets its sights on £20m

By Our Financial Staff
MEPC, tipped by the City as the recovery stock which cured its financial ills last year, reported a 67 per cent jump in pre-tax income yesterday and forecast full-time earnings at a record £20m.

The shares rose 3p to 204p, a shade off their high for this year. Earnings for the six months to the end of last March rose from £6.2m to £10.4m, on which the group proposes to pay a 19 per cent higher gross dividend at 1.75p.

A 12 per cent rise in gross rental income was boosted by proceeds of last June's right issue and the reduction of

interest payable on the group's 5 per cent convertible loan stock, the major part of which was converted in February into 20p shares.

MEPC is aiming to push overseas earnings to about 30 per cent of the total. The final phase of the 200,000 square foot office development in Parkdale, Minneapolis, has been letting as soon as space is available, and is expected to be fully income producing by the end of the current financial year.

That will give MEPC 1.1 million square feet of fully-let offices in that town. The group has completed 85 per cent of letting at the Ex-

change Centre in Sydney. In the United Kingdom the Oxford and West One, Oxford Street, developments should be complete early in 1981.

In the spring it started building 200,000 square feet of offices in Long Acre, Covent Garden. Building is expected to take two years. The area is untried as high-grade office space let to one client. MEPC says it is difficult to guess as to a rent for 1982, but points to the offices on the former Gamage's site in Holborn which have been commanding £15.50 a square foot recently.

Big sale by London cocoa dealer

By Michael Prest.

Commodities Correspondent

On the even of today's meeting at which the International Cocoa Council is to begin winding itself up, a leading London cocoa dealer announced that it had recently made the single biggest sale in 15 years.

J. H. Rayner (Mincing Lane) said that at the end of last week it had sold 100,000 tonnes of the Ivory Coast's current crop at one undisclosed price to European and American chocolate manufacturers.

The move was interpreted in the market as a sign that the Ivory Coast had given up withholding supplies from the market in the hope of better prices. It might also weaken the chances of a new marketing agreement between Ivory Coast and Brazil to replace the 1975 International Cocoa Agreement.

Any hope that an agreement might be revived could have been postponed today's proceedings at which, as a result of the agreement's collapse, the International Cocoa Council is to start dismantling itself.

The meeting, scheduled to last three days, will have to decide, among other things, what to do with the approximately £220m in assets which were accumulated through an export levy.

Most of the funds are invested on the Euromarket. An ICCO source said about 40 per cent could be liquidated by the end of June and the remainder within six months.

Heavy overproduction of cocoa has caused a price slump with some producers still trying to sell last year's crop. J. H. Rayner's deal points to manufacturers' willingness to take advantage of low prices.

Results almost halved at Parkland Textile

By Catherine Gunn

Cheap imports of cloth and clothing continue to plague the British textile industry, and the latest textile group to reveal its scars is yarn and cloth-making group Parkland Textile.

Its second half to February 28, 1980, repeated the pattern established earlier in the year, with pre-tax profits almost halved to £1.36m, while turnover struggled up from £31.8m to £35.5m.

Earnings per share, collapsed from 11p to 13p, but the gross dividend has been increased by 12 per cent to 5.29p; and the net payout is covered 3.5 times. Interest costs rose from £526,000 to £911,000, reflecting increased borrowings as well as higher rates.

In spite of tough competition overseas, the group's exports rose from £6.6m to £7m. But export and home margins were "terribly" squeezed.

The group has been "concentrating" its production areas, causing some redundancies, and has axed unprofitable product lines. The £290,000 cost is shown as an extraordinary item.

Some new lines are being introduced, but the still-profitable Maitland Menswear, its only ready-made garment interest, is expanding.

Really half the group's turnover now comes from yarn, sold mainly to the Leicester hosiery industry. The bulk of the remainder comes from cloth for men's and women's clothes.

The immediate outlook for the textile industry is bleak. Much depends on a national economic recovery and there is little sign of that yet.

Scoteros profits up 45pc and dividend boosted

By Our Financial Staff

Packaging, food distribution and vehicle building group Scoteros, improved efficiency and increased its sales in 1979-80, in spite of tougher trading conditions in Europe and the steel strike at home. Profits rose 45 per cent and the gross dividend is up 38.8 per cent at 7.25p, yielding 5.75 per cent at 126p a share.

The strike hit Scoteros's operations using steel and tinplate, and the after-effects linger on. It may be some months before normal trading conditions return, the board says.

Meanwhile, the group is pumping more than £2.5m into its operations this year, in a

continuing pursuit of efficiency and new products. Pretax profits to March 31 rose from £1.46m to £2.17m, on sales of £35.5m against £29.4m. Sales within Britain provided £26.7m of that. Overseas sales rose nearly a third to £8.8m.

The overseas division also produced a good rise in pre-interest profits, up by just over half to £563,000. The food side made the largest contribution, of £880,000, up a third, and packaging made £771,000 against £624,000. Transport profits rose more than two-and-a-half times to £179,000. Group interest costs were just 6 per cent higher at £277,000.

Dome Petroleum dealings start

By Rosemary Unsworth.

Dealings start today in London in the shares of Dome Petroleum, the Canadian gas and oil exploration company, which has a 30 per cent stake in Stevens Oil and Gas (UK), now known as Sovereign Oil and Gas.

Dome, whose shares currently trade at about \$73 on the Toronto and New York stock exchanges, sought a London listing to make it easier for known to European institutions and to raise money in Europe

more easily. The listing has been granted for 50.3 million shares, of which 49.2 million are issued and the remainder reserved.

Last year, the group made pretax profits of £235m on revenue of \$945m, but the group does not pay dividends and has no immediate intention of doing so. It would be irresponsible for an exploration company which needs to spend heavily on exploration to pay a dividend, Mr. William Richards,

the president, said. Dome also owns 40 per cent of Dome Mines, Canada's largest gold producer, and controls 47 per cent of Trans-Canada Pipelines, a natural gas transmission system operator.

The group's reserves are currently estimated at 300 million barrels of crude oil and 40 million million cubic feet of natural gas. It also has undeveloped reserves in the Arctic, which it hopes to bring into production by 1985, and in Alberta and the Beaufort Sea.

Briefly

Pentland Industries: C says that it is difficult to cast, but group is sound and it should be possible to get a 20% increase in growth. CCA accounts show pretax profit (£707,000) compared with £617,000.

Aberdeen Construction Chairman says in his annual report that despite cut public expenditure, work is still available at level. CCA accounts show (£2,054m) compared with (£1,045m) of £3.45m (Atkins Bros (Hosiery) 1/3 for 1979-80. Pretax profit (£706,835). Final dividend gross (3.88p gross) made gross (5.85p gross).

Transparent Paper: Group surplus for year ended 31 March was £2.0m (£1.9m). Pretax £1.01m (£1.0m). Final is 5.44p gross (£5.18p gross). Parkland Industries: Group annual meeting that in months of current year, profits are well ahead, steel strikes and the economic picture may have their effect on the performance, he looks for future with confidence.

Pre-tax profit for half March 30 was £548,000 (£548,000). Dividend already declared. Dickinson Robinson Group: The group's subsidiaries, which markets office machines and furniture, machines and lithographic supplies, reported current sales of £14m.

Tricentral has elected to for £327,000 of the year's profits to Opman International, respectively its property in Tricentral's share of profits from Thistle Field to be paid to Opman on May 31.

Issue of 92,500 ordinary Arrangements have been made to provide cash payments to shareholders. Board can take for granted sort of that the group has won it.

National Westminster is to take 2 per cent stake in Co Financiere de Paris et d Bas, the holding comp France's leading "affaires" following a deal. Parisian is to over 20 per cent formerly owned by Nat Union Financiere et E taking its stake to 30 per cent.

Century Oil Group: 12 months to March 1980, pre-tax profits jump £1.25m to a best-ever £22.23m. Earnings per share almost trebled, from 11.33p, the total dividend is being raised from 4.33p to 5.66p.

Any share repurchase programme is a one-for-one scrip issue. Frank G. Gates. The has raised dividend 1.82p gross to 2.96p to £24.55m. Pre-tax profit from £1.23m to £1.55m. 1 per share were 20.4p again Hawley Leisure.

Issue of 2,995,715 shares taken up as to 2,664,015 (95.6 per cent). Balance ing to 131,700 shares sold at premium of 1.0p per

Local Authority Bonds: rate on 15 year bonds is 15 1/2 per cent. Issue price is 100. (La 15 1/2 per cent at 100.)

Hoveringham Group: C. turnover to £34.38m. £24.55m. Pre-tax profit from £1.23m to £1.55m. 1 per share were 20.4p again Hawley Leisure.

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NCIAL NEWS

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Johnson full-time figures and Fireworks could role in shaping the group which has for 30 years.

rd Steinberg, whose ring concern Lght 25 per cent of in January, is now cautiously to see if cautious half-time is justified.

at by his group to d has already been ted Standard con- tion to elect Napier, a Charter- director, as chair- ing Mr Richard who died last

erg, who with his d operates more beting shops, 450 machines, said ve- e will wait until ome out before e to do next. We ur request for a e board rejected. e shares because mpany which had quiet, and we ight live things

rstood the Stein- have taken nearly le on a "suitable" e are expansion- have built up a rn where profits £750,000 in the

own profits doub- etax level for the, 1979 to £408,000. arg move looks o to a reverse ris- ard, where the s around 15 per

ice of the stake e used as the as was picked up side of the fire- from Mr Edward to is not involved is.

erg refused to plans.

Hoechst off to good start

International

Hoechst AG is optimistic about 1980 after a strong first quarter, despite a strong performance in April and May.

Herr Rolf Sammet, managing board chairman, said, "However, there are many external factors de-stabilizing Hoechst's activities, including higher raw materials prices, and a less dynamic demand for chemicals."

Parent-company turnover in the first five months of this year rose 13.7 per cent to

DM4,930m. Domestic sales were 12 per cent up at DM2,340m, and Exports DM2,590m a rise of 15.3 per cent.

Herr Sammet told shareholders that two thirds of the increases were due to price rises, with domestic sales by volume up 4.3 per cent and

exports up by 5.2 per cent.

The group is looking for a 3 per cent growth in sales and production this year.

Shareholders approved the group's plans to raise DM250m authorized capital, not for immediate issue. The reserve capital will be available up to June 2, 1985, and rights may be excluded on any shares issued.

Hoechst said in a statement to shareholders that there are at present no concrete plans for use of the new capital.

Fokker unable to forecast

NV Koninklijke Nederlandse Vliegtuigenfabriek Fokker of Amsterdam, says that it is not yet possible to make sufficiently reliable forecasts on results this year.

The company said its activities were experiencing a strong influence from external factors such as currency fluctuations, the effect of rising fuel prices on airlines' purchasing policy and international political developments.

Net profit rose last year to F14.77m from F12.10m in 1978.

Fokker said its liquidity improved considerably in 1979, with the relatively low production rate of F27 and F28 aircraft and large prepayments by customers leading to a surplus which was deposited on the money market.

This surplus will be run down gradually as the production rate of Fokker's civil aviation programmes increases.

Record progress at Fluor

Fluor Corporation of California has announced record earnings for the six months ended April 30 of \$64.1m (about £27.8m). This is up 38 per cent on the \$46.5m for the same period last year.

Earnings per share were also a record, up 44 per cent to \$2.67 per share against \$1.85 for the same period last year.

Revenues for the first six months of 1980 were a record \$2.2bn, compared with \$1.6bn for the previous year. New orders amounted to \$3.7bn,

against \$4.2bn in 1979. Backlog was also a record \$13.6bn, compared with \$12.9bn at the end of the second quarter of fiscal 1979.

Mr J. Robert Fluor, chairman, said: "The earnings performance of our engineering and construction group—which is over three-quarters of our business—was 26 per cent above the same period last year. Our non-engineering and construction operations were even stronger, with a 62 per cent increase in earnings."

Exxon to raise expenses

Exxon Corporation of Boston expects capital for 1980 and exploration expenditures to total about \$8bn (about £3,000m) according to Mr Jack Bennett, senior vice-president.

That is an increase from the \$7.5bn Exxon had said in April it expected to spend this year. It is also an increase from 1979 capital outlays of \$6/8bn.

Mr Bennett repeated previous Exxon projections that earnings a year will be above the rate of last year and below the rate of

this year's first quarter.

In 1979 Exxon earned \$4.3bn, while in this year's first quarter earnings were a record \$1.93bn.

For the longer-term, Mr Bennett said he was unable to offer a firm forecast on earnings due to such factors as "an ever-changing array of government controls and threats of new special tax burdens."

He added, however, that Exxon believes it is "finding a large number of investment opportunities."

Racal sets up new group at Decca

By Our Financial Staff

Just over two months after Racal Electronics bid for Decca went unconditional, Mr Ernest Harrison, Racal's chairman, has announced a reorganization within Racal and the creation of a separate group within Decca bringing together all its capital goods activities.

Five members of the Racal board have joined that of Decca, including Mr Harrison, and two members of the Decca board, Mr N. Graham Maw and Sir Martin Flett, have resigned.

Mr Maw has joined the Racal board as a non-executive director.

A new subsidiary company, Racal-Decca, has been formed under the chairmanship of Mr David Elsbury, a Racal deputy

managing director. Racal-Decca is the parent company of all the Decca capital goods businesses and has four subsidiaries.

One of these, Racal-Decca Defence Systems, is a new company which will handle all the electronic warfare and defence activities which were previously part of the marine radar company.

Mr Harrison said: "Whilst there are many urgent and difficult problems to be resolved, the future prospects for this new group of companies are extremely exciting."

The changes follow a six-week intensive study of Decca which was taken over after a £114m battle with GEC, culminating in a surprise shut-out bid. But yesterday a Racal spokesman denied that the company had found a skeleton in the Decca cupboard.

"The situation is broadly as reported at the time of the merger. I can confirm that the late Sir Edward Lewis was not exaggerating when he said that Decca had a huge order book in electronic warfare with substantial additional business coming in over the next years."

He also pointed out that Racal had not felt any effects of the United States recession

Sir Hugh predicts growth

In the midst of the run-up to the annual meeting battle with Lorrho over dividend payments, House of Fraser's chairman Sir Hugh Fraser has affirmed his company's growth back to the Seventh World Conference of Retailers in Tokyo.

He said that Fraser would continue to grow steadily, in spite of recession and inflation, because the company had the financial resources to develop new stores. At present Fraser covered 60 per cent of the UK market, it was aiming for 100 per cent.

Most new Fraser investment would be going into data processing, storage and retrieval, allied to improved stock handling.

The Fraser meeting is in Glasgow on June 19.

Offer for Antony Gibbs unconditional

Hongkong and Shanghai Banking Corporation's offer for Antony Gibbs Holdings was now unconditional. The group owns a more significant share of Gibbs's ordinary shares.

The preference offer, also unconditional, has secured 95 per cent acceptance, it added.

Hongkong and Shanghai's ordinary offer consisted of 85 pence per Gibbs share or 90 pence in Hongkong and Shanghai shares.

Pentos sees further growth

Pentos chairman, Mr T. A. Maher is expecting further volume growth this year in spite of the "harsh industrial and economic background".

Mr Maher said: "These will have a more significant effect in the first half because of the seasonal nature of the business, he tells shareholders in the annual report."

Dublin Bank profit at lower level

Mr Thomas Kenny, chairman of City of Dublin Bank, reports that, as expected, pretax profits for the six months to end-March did not reach last year's record interim level and

amount to IRE377,000, compared with IRE421,000.

"However, the results are ahead of our targets", he says. "This is in line with my comments at the annual general meeting in February."

The directors have declared an unchanged interim dividend of 1.24p gross per 25p share.

The chairman states: "We have lendings of over IRE34m, of which more than one-half is at fixed rates. Some of this fixed lending is only marginally profitable because of the interest rates we pay to depositors."

UDS chairman sees late upturn

Mr E. Lyons, chairman of UDS Group, states in his annual report that sales growth during the first quarter of the current year has been unexciting, and profits for the first six months may not equal those of last year.

The board is, however, looking to the second half for an improvement, and he hopes to report satisfactory results in 12 months' time.

Doreen Holdings moves ahead

Preliminary results for Doreen Holdings, an Irish-based clothing manufacturing and retail group which owns United Kingdom outlets Joan Barrie and Rose Fashion Centre Group show growth. Group sales went up by 44 per cent to Irish£22.9m. There was a 48 per cent rise in trading profit to Irish£2.1m, while profits before tax went ahead from Irish£1.5m. Earnings per share were up by 31 per cent to 15.6p. The total dividend is 4.30p against 3.28p.

Dealing start in Kennedy Brookes

Dealings under rule 163(2) have begun in Kennedy Brookes 10p ordinary shares. This follows the placing among several individuals and City concerns of 122,333 shares at 60p each, representing 12.74 per cent of the enlarged capital. Of the total of 955,083 shares in issue, 82 per cent are held by two of the directors, Messrs Michael Golder and Roy Ackerman.

number of bistre type restaurants in London and Oxford, including wine bars, Pizza Houses, American hamburger restaurants and Tando's in Covent Garden, specializing in South American food.

Investment group to expand

Henderson Administration, the investment management company which has funds in excess of £400m — including £105 million in unit trusts — under its belt, is to expand its investment range soon. In September it plans to launch a single premium life assurance bond which can be linked to a whole range of new funds, as well as its existing unit trusts. The bonds will be underwritten by Provincial Life Assurance Company.

Unichem achieves record results

Unichem of Morden, Surrey, the United Kingdom's largest independent pharmaceutical wholesaler, reports a record pre-tax profit up 103 per cent to £8.3m for 1979, on turnover up 38 per cent to £137.4m. Profit-sharing allocations to member shareholders totalled a record £8.22m against £2.19m the previous year.

Reserves at the year-end stood at a record £7.24m compared with £6.88m in 1979.

Mr Peter Dodd, the managing director, said: "Unichem is well placed financially to take maximum advantage of the current difficult trading climate, and I anticipate that the 1980 results will show further growth."

Hooveringham in for hard year

Hooveringham's chairman, Mr G. H. Christopher Needer, warns in his annual statement that 1980's profits will not show a spectacular improvement—if any—on 1979's reduced £3.8m pre-tax profit. While 1979 was hit by the cold winter and industrial troubles, 1980's economic reversals mean "we can no longer take for granted the sort of growth that our enterprise has won in recent times."

& Company Holdings

Another recovery attempt

Company Holdings has had a recovery and the latest set of results in a particular disappointment.

For just when the group was recovering from the rationalisations and heavy losses of the disaster has struck again.

id half of 1979 Evered made a loss, tipping the group into 000 pretax for the full year and led a £17,000 profit on property loss compared with a profit of 78, £122,000 in 1977 and pretax £11.1m in three preceding years.

now in the throes of another reconstruction "involving the closure seven operating subsidiaries with agencies bringing the workforce

Evered is making its second attempt at recovery with the benefit at least of a strong balance sheet. The net overdraft at the 1979 year-end was just over £1m and this compared with shareholders' funds of £3.18m. Gearing of only a third is better than many manufacturing companies can boast.

However, an indication of the National Westminster's view of Evered can perhaps be gauged from the fact that the overdraft is secured by a legal mortgage on the freehold property, a specific charge on both book and other debts and a floating charge on other assets.

However, chairman Mr Saunders says that Evered has a "very comfortable relationship" with its bankers and bank facilities are not a problem. Furthermore, since the year-end Evered has realized some cash through asset sales.

In many ways Evered is a typical Midlands company. About two-thirds of its turnover spring from non-ferrous scrap, tube and extrusions.

The rest of the business consists of a company making castors and wheels for the furniture, medical and office equipment markets and a company making locks and security systems.

Last year the group was hit by the engineering strike and also contributing to the losses was a poor performance from the tube mill which made a substantial loss. Management changes have been made and a much better result is expected in 1980.

In 1980, Evered has already had to contend with the steel strike and it is hardly the most auspicious year anyway in which to stage a recovery. The shares stand at a year's "low" of 10p backed by assets of 52p following a recent property revaluation. Perhaps the two mysterious Arabian shareholders with 6 per cent each of the equity will have some comments to make at the annual meeting.

Peter Wilson-Smith



RESULTS FOR THE HALF YEAR ENDED 31st MARCH 1980 (UNAUDITED).

"Record first half"

	1980	1979
OVER	136,253	117,835
BEFORE TAX	7,268	6,167
AFTER TAX	5,568	5,111
PER SHARE	9.8p	9.8p
END PER SHARE (Gross)	3.4p	3.0p

- STEEL STRIKE HITS IRON AND STEEL ACTIVITIES
- CEMENT PROFITS RECOVER
- COMPANY FINANCIALLY STRONG

Principal activities of the Thos. W. Ward Group:
Iron and Steel Scrap, Cement, Engineering,
Motor Vehicle Distribution, Industrial Services.

Drilling Tools says accept offer

In the offer document from ICFC, Corporate Finance on behalf of Plumcloud has been sent to shareholders, the chairman of Drilling Tools North Sea, Mr Charles Noble, recommends acceptance of the revised offers.

Taken together with Plumcloud's existing holding of 42,800 "B" ordinary shares, the total number owned by Plumcloud, or committed to the offers, is 130,000 shares representing 37.91 per cent of the votes attributable to the total issued share capital.

This document also includes the directors' estimate of the results of Drilling Tools for the 12 months to March 31. These show that trading profits amounted to £308,000 against £353,000, before research and development expenditure of £42,000, against £11,000.

A listing of Plumcloud shares is not proposed but occasional dealings may be permitted under rule 163(2) of the Stock Exchange.

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Capital Loan Stock Valuation June 3rd

The Net Asset Value per £1 of Capital Loan Stock is £60.150 calculated on Formula 2.

Securities valued at midday market prices.



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Figure 1. The effect of the concentration of the *Agrobacterium* suspension on the transformation efficiency of *Agrobacterium* strains.

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